

AX0024 2391035Z

PP HQ BA DE NY SD

DE AX

P 270400Z AUG 83

FM: ALEXANDRIA (196B-NEW)

TO: DIRECTOR FBI PRIORITY

ATTN: CRIMINAL INVESTIGATIVE DIVISION, TECHNICAL SERVICES
DIVISION.

ADIC NEW YORK PRIORITY

SAC BALTIMORE PRIORITY

SAC DETROIT PRIORITY

SAX NEW YORK PRIORITY

SAC SAN DIEGO PRIORITY

BT

UNCLAS

UNSUBS; AKA

INNER CIRCLE; OPERATIONS CIRCLE

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND ELECTRONICS (GTE)

TELEMAIL SYSTEM. FBW; CONSPIRACY 00:AX

RECEIVED
TELETYPE UNIT

7 AUG 83 11 41 Z

FEDERAL BUREAU
OF INVESTIGATION

Exec. AD-Adm.	
AD-Inv.	
AD-LES	
Asst. Dir.:	
Adm. Servs.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgnt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b6
b7C

b6
b7C

64 JAN 24 1984

2 OCT 14 1983

Dane

Keep me informed

info with AX soon 9/27/83

PAGE TWO ALEXANDRIA (196B-NEW) UNCLAS

FOR THE INFORMATION OF THE BUREAU AND RECEIVING OFFICES, GENERAL TELEPHONE AND ELECTRONICS (GTE) OWNS AND OPERATES A COMPUTER NETWORK KNOWN AS TELENET WHICH LINKS VARIOUS SUBSCRIBER COMPANIES AND GOVERNMENT AGENCIES THROUGH A TIE-IN SYSTEM IN NUMEROUS CITIES. ACCESS IS OBTAINED BY CALLING A PUBLISHED TELEPHONE NUMBER IN VARIOUS CITIES. TELENET HAS MOST RECENTLY BEEN IN THE NATIONAL NEWS MEDIA AS A RESULT OF UNAUTHORIZED ENTRIES GENERATING FROM THE MILWAUKEE AREA BY A GROUP MF EXPLORER BOY SCOUTS.

WITHIN THE TELENET SYSTEM IS A SERVICE CALLED TEEMAIL WHICH OFFERS A COMPUTERIZED MESSAGE CAPABILITY BETWEEN TEEMAIL CUSTOMERS AND WITHIN ANY TEEMAIL SUBSCRIBERS COMPANY. EACH TEEMAIL SUBSCRIBER IS RESPONSIBLE FOR SETTING UP AN "IN HOUSE" ADMINISTRATOR TO OVERSEE ALL ADMINISTRATIVE FUNCTIONS OF THE CUSTOMERS TEEMAIL SERVICE, INCLUDING THE ASSIGNMENT OF LEVELS OF ACCESSABILITY BY EMPLOYERS OF THE SUBSCRIBER COMPANY.

RECENTLY, IT HAS COME TO THE ATTENTION OF GTE THAT COMPUTERS OF CERTAIN TEEMAIL SUBSCRIBERS HAVE BEEN ACCESSED BY A GROUP OF INTRUDERS FROM DIFFERENT AREAS OF THE COUNTRY. THE INTRUDERS, SOME OF WHOM HAVE BANDED TOGETHER IN GROUPS KNOWN AS "INNER CIRCLE" AND "OPERATIONS CIRCLE" HAVE GAINED ACCESS TO CERTAIN SUBSCRIBERS COMPUTERS BY DETERMINING PASSWORDS ASSIGNED TO SUBSCRIBER ADMINISTRATORS, AND ESTABLISHING PIRATE "BULLETIN BOARDS" WITHIN THE SUBSCRIBER SYSTEM, AS WELL AS BROWSING THROUGH SUBSCRIBER FILES. THESE

PAGE THREE ALEXANDRIA (196B-NEW) UNCLAS

"BULLETIN BOARDS" HAVE BEEN ESTABLISHED WITHOUT THE SUBSCRIBERS KNOWLEDGE OR CONSENT AND MAINTAIN THEIR OWN DEGREE OF SECURITY.

ONCE IT WAS DETERMINED THAT CERTAIN TELEMAL CUSTOMERS FILES WERE BEING INFILTRATED GTE WAS ABLE TO RETRIEVE MESSAGES POSTED ON THE BULLETIN BOARDS AND DETERMINED THAT TRAFFIC BETWEEN "INNER CIRCLE" MEMBERS DISCUSSED ON AUGUST 15, 1983, AN OPERATION KNOWN AS "ULTIMATE RIPOFF". IN ONE OF THE MESSAGES ON THE BULLETIN BOARD ON 8/15/83, UNSUB [] NOTED TO UNSUB [] THAT HE [] PICKED THE WRONG SYSTEM BECAUSE CODE 21256 IS A DEMO SYSTEM AND "YOU CAN'T REALLY DO ANYTHING WITH IT". [] ADVISED [] HE WAS SUPPOSED TO GET INTO SYSTEM C21267. FOR THE INFORMATION OF RECEIVING OFFICES, BOTH ACCOUNT NUMBER 21256 AND C21267 ARE TELEMAL ACCOUNTS ASSIGNED TO CITIBANK, NEW YORK, NY.

b6
b7c

A SECOND MESSAGE POSTED ON 8/15/83 FROM [] ANNOUNCED A CONFERENCE (PRESUMABLY A TELECONFERENCE) FOR LATER THAT EVENING WHERE THE TOPICS UNDER DISCUSSION WULD INCLUDE "COSMOS", ULTIMATE RIPOFF" AND "BLU - STUFF". FURTHER TRAFFIC ON THAT DATE ISSUES CAUTION TO MEMBERS OF THE CIRCLE TO PURGE MESSAGES ONCE THEY ARE RETRIEVED OFF THE BULLETIN BOARD, AS WELL US ISSUING CAUTIONS TO MEMBERS NOT TO USE TELEPHONES FOR COMMUNICATIONS RELATED TO THE ULTIMATE RIPOFF. ~~"7758-53 485911"~~. ANOTHER MESSAGE ON 8/15/83 ASKS THE QUESTION "WHO IS GOING INTO THE BANKS AND PICK UP THE MONEY"?

PAGE FOUR ALEXANDRIA (196B-NEW) UNCLAS

ON LATE AFTERNOON, 8/25/83 GTE ADVISED ALEXANDRIA THAT A FURTHER REVIEW OF THEIR SYSTEM HAS UNCOVERED OTHER INTRUDERS NOT PREVIOUSLY DISCERNABLE TO GTE WHICH INDICATES THIS INTRUSION PROBLEM IS FAR MORE WIDESPREAD THAN PREVIOUSLY THOUGHT. GTE IS COMPILING DATA AT THE PRESENT TIME AND A MEETING IS SET FOR AM, 8/29/83 BETWEEN REPRESENTATIVES OF GTE AND FBI, AX DIVISION TO DISCUSS THESE LATEST FINDINGS. /1

IN THE MEANTIME, RECEIVING OFFICES SHOULD BE ALERT TO THE FACT THAT US ATTORNEY ELSIE MUNSELL, EDVA HAS BEEN CONTACTED AND IS OF THE OPINION THAT THE PERPETRATORS COULD BE SUBJECT TO PROSECUTION FOR VIOLATION OF T 18, USC, SECTION 1343, (WIRE FRAUD), AND T 18, USC SECTION 371, (CONSPIRACY) AT A MINIMUM.

CALLS ARE ENTERING THE SYSTEM THROUGH TELENET PORTS IN DETROIT, MICHIGAN; SAN DIEGO, CALIFORNIA; NEW YORK, NY.; WHITE PLAINS, NY AREA AND BALTIMORE, MARYLAND AREA. GTE IS MAKING A CONCERTED EFFORT TO WRITE A PROGRAM INTO THE SYSTEM THAT WILL ALLOW FOR A 24 HOUR A DAY LIVE MONITOR ON ACCOUNTS KNOWN TO BE ACCESSED BY MEMBERS OF THE CIRCLE GROUPS AND IT IS ALSO ANTICIPATED THIS WILL BE IN FULL OPERATION BY 8/29/83.

PRIOR TO THE DISCOVERY OF THE LATEST INTRUSIONS, GTE HAD ESTIMATED LOSSES TO GTE AT APPROXIMATELY \$20,000 PER MONTH, BASED ON MANPOWER AND SERVICE TIME. THE LATEST INTRUSION FINDINGS TEND TO MAKE THIS A CONSERVATIVE FIGURE.

PAGE FIVE ALEXANDRIA (196B-NEW) UNCALS

ALEXANDRIA IS ASSUMING OO IN THIS MATTER INASMUCH AS CTIM COMPANY IS IN AX TERRITORY AND DISCUSSION WITH USA HAS INDICATED VENUE COULD LIE IN EDVA. SINCE GTE, VIENNA, VA. OPERATES ENTIRE TELEMAIL SYSTEM NATIONWIDE AND HAS CAPABILITY TO MONITOR THE ENTIRE SYSTEM, AX IS LOGICAL CHOICE FOR COORDINATION OF INVESTIGATION.

A MORE EXPLICIT AND DETAILED COMMUNICATION WILL FOLLOW, TO INCLUDE ALL DISEERNABLE INFORMATION THAT MAY BE OF ASSISTANCE IN IDENTIFYING UNSUBS, AS SOON AS THIS INFORMATION CAN BE COMPILED.

IN VIEW OF NATIONWIDE COMMUNICATIONS WORDERS OF AMERICA (CWA) STRIKE AGAINST THE BELL PHONE SYSTEM, THIS COMMUNICATION IS BEING SUPPLIED TO OFFICES HAVING AN INVESTIGATIVE INTEREST SO THAT PRELIMINARY CONTACTS CAN BE MADE WITH TELEPHONE COMPANY PERSONNEL IN AFFECTED JURISDICTIONS.

AT THE PRESENT TIME, ALL RECEIVING OFFICES ARE REQUESTED TO MAKE CONTACT WITH APPROPRIATE TELEPHONE COMPANY (TELCO) SECURITY PERSONNEL IN THEIR RESPECTIVE AREAS IN AN EFFORT TO DETERMINE WHAT, IF ANY, TYPE OF AUTHORIZATION IS NEEDED TO PLACE TRAPS ON INCOMING TELENET ACCESS LINES IN THE AFFECTED AREAS IN AN EFFORT TO TRAP CALLS PLACED BY UNSUBS. IN THE EVENT IT IS NECESSARY FOR GTE MONITORING PERSONNEL TO MAKE IMMEDIATE CONTACT WITH TELCO PERSONNEL IN AFFECTED AREAS WHEN UNSUBS COME ON LINE, RECEIVING OFFICES SHOULD ADVISE ALEXANDRIA OF NAMES AND TELEPHONE NUMBERS OF TELCO SECURITY PERSONNEL WHO HAVE BEEN CONTACTED IN THIS MATTER, AS WELL AS ANY SPECIAL INSTRUCTIONS THAT TELCO REQUIRES FOR PLACEMENT OF TRAPS ON THE GTE LINES.

PAGE SIX ALEXANDRIA (196B-NEW) UNCLAS

SUTEL RESULTS OF TELCO CONTACTS TO AX BY COB 8/29/83.

NY SHOULD SPECIFICALLY NOTE THAT NO LEAD IS AT THIS TIME SET FORTH FOR CONTACT WITH CITIBANK, INASMUCH AS GTE IS COMPILING DATA TO ALERT CITIBANK OFFICIALS AS TO THE DEGREE AND SEVERITY OF ATTEMPTED PENETRATION.

BT

200' CRIM INV DIV

BA 0023 2420013Z

PP HQ

DE BA

PL 292149Z AUG 83

FM BALTIMORE (196B-1048) *FBI SO. 7* *CPON*
TO DIRECTOR, FBI (196B-NEW) PRIORITY

BT

UNCLAS

UNSUBS: AKA [REDACTED]

RECEIVED
TELETYPE UNIT

20 AUG 83 00 126.2

FEDERAL BUREAU
OF INVESTIGATION

Exec AD-Adm.	
Exec AD-Inv.	
Exec AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Off. of the Sec'y	

b6
b7C

INNER CIRCLE; OPERATIONS CIRCLE

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND ELECTRONICS (GTE)

TELEMAIL SYSTEM. FBW; CONSPIRACY, OO: AX.

RE ALEXANDRIA TEL TO DIRECTOR DATED, AUGUST 27, 1983.

ON AUGUST 29, 1983, [REDACTED] CHESAPEAKE

AND POTOMAC TELEPHONE COMPANY, CONSTELLATION PLACE, BALTIMORE, MARY-
LAND, TELEPHONE NUMBER (301) 393-4152, ADVISED HE IS NOT PRESENTLY
KNOWLEDGEABLE OF THE PROCEDURE FOR PLACING TAPS. AFTER CONSULTING
WITH HIS LEGAL AND DATA PROCESSING DEPARTMENTS HE WILL PROVIDE THE
BALTIMORE OFFICE WITH THE NECESSARY DETAILS.

LEAD: BALTIMORE AT BALTIMORE: MAINTAIN CONTACT WITH [REDACTED]

AND REPORT RESULTS TO ALEXANDRIA, ASAP.

BT

#

SEP 2 1983

b6
b7C

007 191983

Memorandum



Exec AD Adm. _____
 Exec AD Inv. _____
 Exec AD LES _____
 Asst. Dir.:
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Insp. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Off. Cong. & Public Affs. _____
 Rec. Mgnt. _____
 Tech. Servs. _____
 Training _____
 Telephone Rm. _____
 Director's Sec'y _____

To: Mr. Revell

Date August 30, 1983

From: [Redacted]

b6
b7C

Subject: UNSUBS; AKA [Redacted] INNER CIRCLE; OPERATIONS CIRCLE; UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND ELECTRONICS (GTE) TELEMAL SYSTEM; FBW; CONSPIRACY;
 OO: AX

PURPOSE:

To provide information concerning the unauthorized access to Telemail, a service in the General Telephone and Electronics Company (GTE) Telenet system which links various subscriber companies and Government agencies.

4/8
Telemail
SYSTEM

RECOMMENDATION:

None, for information only.

APPROVED:

Director _____
 Exec. AD-Adm. _____
 Exec. AD-Inv. _____
 Exec. AD-LES _____
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Inspection _____
 Intell. _____
 Laboratory _____
 Legal Coun. _____
 Off. of Cong. & Public Affs. _____
 Rec. Mgnt. _____
 Tech. Servs. _____
 Training _____

DETAILS:

GTE owns and operates a computer network known as Telenet which links various subscriber businesses, companies, and government agencies in numerous cities. Within the Telenet system is a service known as Telemail. This service offers a computerized message capability between Telemail customers.

Recently, GTE learned that computers of some of their Telemail subscribers have been accessed by unauthorized intruders, some of whom have organized into groups using group names such as "Inner Circle" and "Operations Circle". The unauthorized access is accomplished by obtaining passwords assigned to subscribers; thereafter, the subjects create a "bulletin board", an information source

1 - Mr. Revell

1 - [Redacted]

1 - [Redacted]

KD: sm (8)

SEP 16 1983

b6
b7C

[redacted] to Mr. Revell Memorandum
RE: UNSUBS; AKA [redacted]

b6
b7C

for other unauthorized accessors which has its own type of security system. GTE has been able to retrieve messages posted on the "bulletin boards" and has learned that the subjects have operations with code names of "Ultimate Rip-Off", "Cosmos", and "Blu-Stuff". Some of these messages also contain access information; one message involved access to accounts assigned to Citibank, New York, New York. One message on 8/15/83, asked "Who is going into the banks and pick up the money?"

At this time, GTE is uncovering evidence of numerous intrusions from Detroit, Michigan; San Diego, California; New York, New York; and Baltimore, Maryland. GTE is writing a program into their system which should be operational by 8/29/83, which will allow 24 hour a day monitoring of all accounts known to be accessed by the subjects.

The United States Attorney (USA), Eastern District of Virginia (EDVA), has advised that the subjects could be violating the Fraud By Wire and Conspiracy statutes. Also, the USA believes venue could lie in the EDVA since GTE in Vienna, Virginia operates the Telemail system nationwide and has the capability to monitor the entire Telemail system.

Close liaison will be maintained with appropriate GTE personnel and Alexandria will continue their investigation regarding this matter.

AX0014 249 2135Z

PP HQ DE

DE AX

P 06 2040Z SEPT 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR PRIORITY
DETROIT PRIORITY

BT

UNCLAS

ATTENTION: SA [REDACTED] (DETROIT)

UNSUBS; [REDACTED]; ET AL; UNAUTHORIZED ENTRY INTO GENERAL
TELEPHONE AND ELECTRONICS (GTE) TELEMAIL SYSTEM; FBW, CONSPIRACY; [REDACTED]

(OO:AX)

RE ALEXANDRIA TELETYPES TO DIRECTOR, AUGUST 27, 1983, AUGUST 30,
1983, AND SEPTEMBER 2, 1983, AND AX TELCALL TO SA [REDACTED]
(FBIHQ), 9/6/83.

FOR INFORMATION OF THE BUREAU AND DETROIT, INVESTIGATION IN
THIS MATTER HAS REVEALED SIGNIFICANT, EXTENSIVE INTRUSIONS INTO
AND UNAUTHORIZED USE OF GTE'S TELEMAIL SYSTEM BY AT LEAST THREE
SEPARATE GROUPS OF "HACKERS" (INNER CIRCLE, PHALSER'S, AND WILKECON).
THESE "HACKERS" WORK IN CONCERT WITH EACH OTHER, SHARING INFORMATION
IN METHODS BY WHICH ACCESS IS GAINED INTO THE ACCOUNTS OF

RECEIVED
TELETYPE UNIT
6 SEP 83 21 45Z
FEDERAL BUREAU
OF INVESTIGATION

EXCS. AD. ADM. _____
EXCS. AD. ADM. _____
EXCS. AD. ADM. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Ident. _____
Inspection _____
Intell. _____
Laboratory _____
Legal Coun. _____
Off. of Cong. & Public Affs. _____
Rec. Mgmt. _____
Tech. Servs. _____
Training _____
Telephone Rm. _____
Director's Sec'y _____

b6
b7C

DE-62 196-4713-2

1 SEP 8 1983

b6
b7C

LEGITIMATE TELEMAL CUSTOMERS. THE "HACKERS" HAVE CREATED THEIR OWN FRAUDULENT ACCOUNTS AND AT LEAST 20 KNOWN TELEMAL ACCOUNTS AND HAVE CAUSED THE TERMINATION OF TWO LEGITIMATE CUSTOMERS (COCA-COLA, USA AND RAYTHEON COMPANY).

GTE HAS DETERMINED THAT THE HACKERS HAVE HAD ACCESS TO THIS SYSTEM SINCE AT LEAST EARLY JULY, 1983, AND THE INITIAL ESTIMATE OF LOSS WAS \$20,000 PER MONTH, AND THIS WAS BEFORE THE DISCOVERY OF THE LAST TWO GROUPS (PHAL SERS AND WILKECON) AND THE TERMINATION OF THE RAYTHEON ACCOUNT ON AUGUST 29, 1983. [REDACTED]

[REDACTED] FOR THE TELEMAL SYSTEM, INDICATED THAT IF ANOTHER ACCOUNT IS TERMINATED BY THE "HACKERS," THE ENSUING LACK OF CUSTOMER CONFIDENCE IN TELEMAL COULD RESULT IN MANY SUBSCRIBERS WITHDRAWING, FURTHER RESULTING IN THE LOSS OF THE ENTIRE TELEMAL PROGRAM.

INVESTIGATION BY DETROIT (SA [REDACTED]) HAS POSITIVELY IDENTIFIED ONE OF THE PRIME SUBJECTS AS [REDACTED], AKA, [REDACTED]. THIS "HACKER" IS A PART OF THE INNER CIRCLE AND THE WILKECON GROUP. DETROIT HAS FURTHER BEEN OF GREAT ASSISTANCE IN THIS MATTER THROUGH INFORMATION PROVIDED BY A CONFIDENTIAL SOURCE. THE SOURCE IS

[REDACTED] OF SA [REDACTED] AND HAS [REDACTED]

b6
b7C

b6
b7C

b6
b7C
b7D

[REDACTED] THIS SOURCE IS EXTREMELY

KNOWLEDGEABLE OF AND [REDACTED]

b7D

ALEXANDRIA HAS BEEN WORKING WITH GTE TO TRACK THE TELEMAIL INTRUSIONS BY THE HACKERS. AN EXTENSIVE LIST OF USER NAMES (USUALLY FALSE) AND TELEPHONE AREA CODES HAVE BEEN DEVELOPED. IT IS THOUGHT THAT A MEETING BETWEEN ALEXANDRIA FBI, GTE PERSONNEL, AND SA [REDACTED] AND HIS SOURCE WOULD BE EXTREMELY PRODUCTIVE IN TERMS OF IDENTIFYING THE REAL IDENTITIES OF MANY OF THE "HACKERS."

b6
b7C

ACCORDINGLY, BUREAU APPROVAL IS REQUESTED FOR SA [REDACTED] (DETROIT) AND HIS SOURCE TO TRAVEL TO ALEXANDRIA ON OR ABOUT SEPTEMBER 7, 1983, FOR A SERIES OF MEETINGS WITH ALEXANDRIA FBI AND GTE PERSONNEL.

SAC DETROIT AND SAC ALEXANDRIA CONCUR.

VERBAL AUTHORIZATION GRANTED BY FBIHQ IN RE TELCALL.

BT

BT

AX0025 242 0031Z

00 HQ BA DE NY SD

DE. AX

P 030 1900Z AUG 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR PRIORITY

BALTIMORE IMMEDIATE

DETROIT IMMEDIATE

NEW YORK IMMEDIATE

SAN DIEGO IMMEDIATE

BT

UNCLAS

ATTN: SA [REDACTED] SQUAD 7, BALTIMORE

ATTN: SA [REDACTED] DETROIT

CHANGED; UNSUBS; [REDACTED] AKA [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] (LNU); INNER CIRCLE; OPERATIONS CIRCLE; PHALERS;

[REDACTED]

DE-72

196-4713-3

7 SEP 7 1983

64 NOV 30 1983

RECEIVED
TELETYPE UNIT

21 AUG 83 00 44Z

FEDERAL BUREAU
OF INVESTIGATION

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rac. Mgmt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b6
b7C

b6
b7C

PAGE TWO AX 196A-633 UNCLAS

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND ELECTRONICS (GTE)
TELEMAIL SYSTEM; FRAUD BY WIRE; CONSPIRACY (OO:AX)

TITLE CHANGED TO INCLUDE ADDITIONAL SUBJECTS AND ALIASES. TITLE
PREVIOUSLY CARRIED AS UNSUBS; AKA [REDACTED]

b6
b7c

[REDACTED]
[REDACTED]; INNER CIRCLE;
OPERATIONS CIRCLE; UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND
ELECTRONICS (GTE) TELEMAIL SYSTEM; FRAUD BY WIRE; CONSPIRACY (OO:AX).

RE ALEXANDRIA TELETYPE TO DIRECTOR, AUGUST 27, 1983.

FOR INFORMATION OF THE BUREAU AND ALL RECEIVING OFFICES,
REVIEW OF TELEMAIL SECURITY LOGS BY GTE INDICATES THAT AT LEAST 17
LEGITIMATE USERS OF TELEMAIL HAVE BEEN PENETRATED BY CAPTIONED
SUBJECTS. IN ADDITION THREE TELENET INTERNAL SYSTEMS AND ONE FIRM
IN CANADA HAVE BEEN PENETRATED.

INVESTIGATION INDICATES THAT THE "PHALERS" IS A GROUP WITH SOME
KNOWLEDGE OF AND POSSIBLY CONNECTED TO THE "INNER CIRCLE". THE
CONTENT OF "PHALSER" MESSAGES INDICATES OLDER PERSONS (THAT IS, NOT
TEENAGERS) WITH MORE SOPHISTICATION THAN INNER CIRCLE MEMBERS. IT
IS THE OPINION OF GTE SECURITY PERSONNEL THAT ONE OR MORE OF THE
PHALERS CAUSED THE TERMINATION OF TWO ENTIRE TELEMAIL ACCOUNTS, ONE

PAGE THREE AX 196A-633 UNCLAS

ON AUGUST 25, 1983, AND ANOTHER ON AUGUST 29, 1983. TELEMAL, AS WELL AS THE AFFECTED USERS, SUFFERED SIGNIFICANT FINANCIAL LOSS DUE TO THOSE TERMINATIONS.

ON AUGUST 30, 1983, SA [REDACTED] (ALEXANDRIA) MET WITH USA ELSIE L. MUNSELL, EDVA, AND DRAFTED A PROTOTYPE COURT ORDER FOR TRAP AND TRACE DEVICES AND A SUPPORTING AFFIDAVIT. THESE TWO DOCUMENTS WILL BE FACSIMILED FROM THE USA, EDVA, TO THE USA'S OF THE SOUTHERN DISTRICT OF NEW YORK, EASTERN DISTRICT OF NEW YORK, DISTRICT OF MARYLAND, EASTERN DISTRICT OF MICHIGAN, AND SOUTHERN DISTRICT OF CALIFORNIA. THEY ARE DESIGNED SO THAT THE CASE AGENT AND EACH FIELD OFFICE CAN SIMPLY FILL IN HIS NAME, FIELD OFFICE, NAME OF THE TELEPHONE COMPANY, AND TELEPHONE NUMBERS PROVIDED BY ALEXANDRIA AND THEN PRESENT TO A UNITED STATES DISTRICT JUDGE.

b6
b7c

THE NUMBERS TO BE PROVIDED ARE "TELENET NETWORK DIAL IN" NUMBERS THAT ARE BEING USED BY UNSUBS TO ENTER THE TELEMAL SYSTEMS. ONCE LOCAL PHONE COMPANIES HAVE BEEN SERVED WITH COURT ORDERS AND TRAP AND TRACE PROCEDURES ARE IN PLACE, THESE STEPS WILL TAKE PLACE:

1. TELEMAL WILL BEGIN REAL TIME MONITORING OF THE ACCOUNTS USUALLY ACCESSED BY UNSUBS.

2. WHEN UNSUB IS DETECTED ON ONE OF THE NUMBERS PROVIDED TO

PAGE FOUR AX 196A-633 UNCLAS

FIELD OFFICES, GTE [] OR SA []

b6
b7c

[] (ALEXANDRIA) WILL IMMEDIATELY CALL THE APPROPRIATE PHONE COMPANY SECURITY MANAGER (USING NAME AND NUMBER PROVIDED BY EACH FIELD OFFICE TO ALEXANDRIA) AND REQUEST INITIATING OF TRAP AND TRACE TO DETERMINE HOME PHONE NUMBER OF UNSUB.

3. THE INVOLVED FIELD OFFICE WILL THEN BE CONTACTED AND ADVISED OF THE CALL. THAT FIELD OFFICE WILL BE EXPECTED TO OBTAIN ANY INFORMATION GAINED FROM THE TRAP AND TRACE AND PROVIDE SAME TO ALEXANDRIA. FOR INFORMATION OF ALL OFFICES, AREA CODE 313 IS USED MOST OFTEN BY []. AREA CODE 619 IS USED BY [] AND OCCASIONALLY []. AREA CODE 914 IS USED BY [] AND AREA CODE 212 IS USED BY []. FOR FURTHER INFORMATION OF NEW YORK INVESTIGATION HAS REVEALED THAT [] MAY BE IDENTICAL TO [], TELEPHONE NUMBER [].

b6
b7c

LEADS: AT THIS TIME ALL RECEIVING OFFICES ARE REQUESTED TO:

1. CONTACT THE USA'S OFFICE AND ALERT THEM TO THE INCOMING FACSIMILE OF THE COURT ORDER FOR TRAP AND TRACE AND SUPPORTING AFFIDAVIT AND OBTAIN NAME OF AUSA HANDLING THE MATTER IN YOUR DISTRICT.

2. AS SOON AS POSSIBLE, NOTIFY LOCAL PHONE COMPANY OF SIGNING

PAGE FIVE AX 196A-633 UNCLAS

OF COURT ORDER AND HAVE PHONE COMPANY INSTITUTE TRAP AND TRACE MEASURES ON NUMBERS PROVIDED.

3. NOTIFY ALEXANDRIA BY TELCALL WHEN TRAP AND TRACE PROCEDURES ARE READY IN YOUR DIVISION.

4. PROVIDE ALEXANDRIA (ATTN: SA [REDACTED]) WITH THE NAME AND NUMBER OF PHONE COMPANY SECURITY PERSON TO BE CALLED WHEN AN UNAUTHORIZED ACCESS IS DETECTED BY GTE.

5. ALERT PHONE COMPANY SECURITY THAT THE CALL WILL BE COMING FROM GTE [REDACTED] (TELEPHONE NUMBER [REDACTED] OR [REDACTED] OR SA [REDACTED] (ALEXANDRIA PHONE NUMBER 703-683-2680). (AT THIS TIME, REAL TIME MONITORING BY GTE WILL BE FROM 8:00 AM TO 5:00 PM, EASTERN DAYLIGHT TIME.)

b6
b7c

6. PROVIDE ALEXANDRIA WITH NAME AND EXTENSION OF CASE AGENT TO BE NOTIFIED IF TRAP AND TRACE INSTITUTE IN HIS DIVISION.

TELENET DIAL IN NUMBERS AVAILABLE AT THIS TIME ARE AS FOLLOWS:

BALTIMORE: AREA CODE, PREFIXES 962, 727, 224. FULL NUMBERS TO FOLLOW AS SOON AS POSSIBLE.

DETROIT: AREA CODE 313/964-2813, AREA CODE 313/964-5538.

NEW YORK (SOUTHERN DISTRICT): 914/328-9199, 914/328-9160, 914/328-9161, 914/328-9162, 914/328-9163.

PAGE SIX AX 196A-633 UNCLAS

NEW YORK (EASTERN DISTRICT OR SOUTHERN DISTRICT): 212/785-3860.

BT

47 circles

RECEIVED
TELETYPE UNIT

AX0022 245 0028Z

PP HQ OC NY BA DE SD BT TELETYPE UNIT

DE AX

FEDERAL BUREAU
OF INVESTIGATION

P 02 2200Z SEPT 83

FEDERAL BUREAU
OF INVESTIGATION

FM ALEXANDRIA (196A-633) (P)

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Servs.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgnt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

TO DIRECTOR PRIORITY
OKLAHOMA CITY PRIORITY
NEW YORK PRIORITY
BALTIMORE PRIORITY
DETROIT PRIORITY
SAN DIEGO PRIORITY
BOSTON PRIORITY

BT

UNCLAS

ATTENTION: SA [REDACTED], SQUAD SEVEN, BALTIMORE

ATTENTION: SA [REDACTED], DETROIT

ATTENTION: SA [REDACTED], SAN DIEGO

ATTENTION: SA [REDACTED], NEW YORK

CHANGED: UNSUBS; [REDACTED], AKA [REDACTED]

[REDACTED]

[REDACTED]

b6
b7C

DE-2 196-4713-4

SEP 8 1983

b6
b7C

[Handwritten signature]

[Handwritten signature]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] (LNU) INNERCIRCLE; OPERATION CIRCLE; PHALERS; [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE ELECTRONICS

b6
b7C

(GTE) TELEMAL SYSTEM; FBW, CONSPIRACY, (OO:ALEXANDRIA)

TITLE CHANGED TO INCLUDE ADDITIONAL SUBJECTS AND ALISES.

RE ALEXANDRIA TELETYPES TO THE DIRECTOR DATED AUGUST 27, 1983, AND AUGUST 30, 1983. (COPIES OF REFERENCED TELETYPE ARE BEING AIRMAILED TO OKLAHOMA CITY AND BALTIMORE. ALSO BEING AIRMAILED TO OKLAHOMA CITY AND BALTIMORE ARE A PROTOTYPE COURT ORDER AND AFFIDAVIT SUPPORTING THE COURT ORDER FOR A TRAP AND TRACE ON DESIGNATED NUMBERS.)

INFORMATION COPY BEING PROVIDED BOSTON BECAUSE IT IS ANTICIPATED THAT INTRUDERS WILL BE IDENTIFIED IN THAT AREA AND GTE TELEMAL DIAL-IN NUMBERS IDENTIFIED IN THE NEAR FUTURE.

FOR INFORMATION OF THE BUREAU AND ALL RECEIVING OFFICES, A

2

PAGE THREE AX 196A-33 UNCLAS

THIRD CIRCLE OF INTRUDERS (THOSE ADDED TO TITLE IN THIS TELETYPE) HAS BEEN IDENTIFIED BY GTE. THESE SUBJECTS ARE ALL CONNECTED WITH

[REDACTED] WHO APPEARS TO BE OPERATING UNDER THE 405 AREA CODE (OKLAHOMA CITY AREA) AND USES THE NAME [REDACTED] (SHORT FOR [REDACTED] [REDACTED]) FOR HIS GROUP.

b6
b7c

THE FOLLOWING IS A LIST OF TELEMAL USER COMPANIES KNOWN TO HAVE BEEN PENETRATED BY ONE OR MORE OF THE THREE MAIN GROUPS: CINNERCIRCLE, PHALERS OR [REDACTED] AMERICAN HOSPITAL SUPPLY; IBM; COCA COLA USA; EDUNET; NATIONAL SYSTEMS MANAGEMENT, INCORPORATED; RAYTHEON; NASA; JET PROPULSION LABORATORIES; TIME, INCORPORATED; 3M COMPANY; TIMECOR; TRW; HUGHES AIRCRAFT CORPORATION; NORTHROP CORPORATION; UNITED STATES DEPARTMENT OF AGRICULTURE; BMW; MARAVEN CORPORATION; TIL SYSTEMS (CANADIAN); RADA; IN ADDITION TO THREE INTERNAL GTE TELENET ACCOUNTS. ONE OR MORE OF THE GROUPS HAS ALSO PENETRATED ITT DIALCOM, THE SOURCE, COMPUSERV AND TIMENET, ALL OF WHICH ARE ELECTRONIC MESSAGE NETWORKS TOTALLY INDEPENDENT FROM GTE'S TELEMAL.

THE PHALERS HAVE ALSO GAINED ACCESS TO THE DOD ARP-NET SYSTEM. IN A MESSAGE ON AUGUST 28, 1983, [REDACTED] DESCRIBES THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY IN DETAIL, TO

b6
b7c

PAGE FOUR AX 196A-33 UNCLAS

INCLUDE THE DARPE HQ BUILDING LOCATION, FTS LOCATOR NUMBER, AND THE NAMES OF THE DIRECTOR AND DEPUTY DIRECTOR AND SOME OF ITS RESEARCH PROJECTS TO INCLUDE: "NUCLEAR MONITORING RESEARCH, LAZER BEAM AND PARTICLE TECHNOLOGY" AND OTHERS.

ON AUGUST 29, 1983, [] LEFT A MESSAGE TO [] AND [] TITLED "ARPA AND OTHER ODDITIES" AND READING AS FOLLOWS:

b6
b7c

"SOME OF THE INFO IS DATED BUT MOST IS STILL GOOD TO USE. DOD PENTAGON FTS CENTREXESR: 692, 693, 694, 695, 696, 697. AUTOVON INBOUND EXTENSIONS ARE: 222, 223, 224, 225, 226, 227. USE EIGHT TO INITIATE AUTOVON ACCESS. BE CAREFUL ON THIS, THEY MONITOR IT EXTENSIVELY. OTHER WASH DC AREA CENTREXESR: CAPITOL - 225, CIA: 351-1100, WH.SHE.: 395, GSA: 472, GSFC: 982, IRS: 556-5000, FCC: 632, NASA: 755, NRC: 492, SEC.SRVC.: 634-5100, SEL.SRVC.: 724-0424. WEATHER: 655-4000."

ALTHOUGH THE ABOVE INFORMATION MAY NOT BE CLASSIFIED, IT INDICATES THAT THE INTENT OF THESE SUBJECTS IS TO PENETRATE ANY AND EVERY COMPUTER SYSTEM THEY CAN AND TO DEVELOP ADDITIONAL WAYS OF ILLEGALLY ACCESSING LONG DISTANCE PHONE LINES (THEY ROUTINELY USE STOLEN SPRINT OR MCI LONG DISTANCE CODES).

TO FURTHER ILLUSTRATE THE INTENTIONS OF THE PHALERS, THE

PAGE FIVE AX 196A-33 UNCLAS

FOLLOWING MESSAGE IS PROVIDED (GTE HAD CHANGED THE PASSWORD ON AN INTERNAL SYSTEM, PREVENTING [] FROM USING IT. HACKERS CALLED THAT BEING BUSTED.) MESSAGE IS FROM [] TO PHALERS ON JULY 18, 1983. SUBJECT: "ANOTHER FUCKING BUST" TEXT: "A PRIVATE AREA I HAD SET UP ON EVAL GOT TAKEN DOWN TODAY AND I'M FUCKING PISSED ABOUT IT IF I GET INTO SYSADM YOU SCUMBAGS AT GTE TELENET ARE FINISHED SIGNED THE IRATE []" FOR INFORMATION, ACCESS TO "SYSADM" WOULD ALLOW A PERSON TO DISRUPT THE ENTIRE TELENET TELEMAIL SYSTEM.

b6
b7C

b6
b7C

ON AUGUST 31, 1983, IN A MESSAGE TO HIS GROUP, [] INDICATED HE WAS TO BE INTERVIEWED BY A NEWSPAPER REPORTER ON SEPTEMBER 1 OR 2, 1983, CONCERNING PHONE "PHREAKING AND HACKING".

FURTHER, IN A MESSAGE FROM [] TO [] ON AUGUST 30, 1983, 12:57 AM, [] STATED THAT HE ([]) WOULD BE FLYING INTO "OKC" AIRPORT ON AMERICAN AIRLINES AND ARRIVING AT APPROXIMATELY 1:00 PM ON TUESDAY, SEPTEMBER 20, 1983. THIS MESSAGE IS SIGNED [] AT 1:12 AM ON AUGUST 30, 1983, [] LEAVES A MESSAGE TO [] SAYING HE WILL BRING SOME GOOD TAPES AND "HOOCHIE" THROUGH THE AIRPORT. [] ENDS THIS MESSAGE BY SAYING "I'M FEELING REAAAAAALLLLLLLLL GOOD,

b6
b7C

b6
b7C

YA KNOW". AT 1:18 AM, AUGUST 30, 1983, [] SAID TO []
"THROUGH THE AIRPORT?? YOU THINK A KILO WOULD BE A BIT OBVIOUS.
I'M NO JOHN DELOREAN YA KNOW" AT 1:30 AM, AUGUST 30, 1983,

[] SAID TO [], "WHAT HAPPENS WHEN THE DOGS EAT MY LEG?"
AT THIS TIME, ALEXANDRIA HAS NO WAY OF DETERMINING THE CREDIBILITY
OF THE REFERENCES TO DRUGS IN ABOVE QUOTES SINCE THESE "HACKERS"
ARE PRONE TO EXAGGERATION IN THEIR COMMUNICATIONS. IT IS CLEAR,
HOWEVER, THAT [] AND OTHERS IN [] GROUP ARE
CHRONIC INTRUDERS INTO THE GTE TELENET SYSTEM.

b6
b7c

INVESTIGATION HAS REVEALED THAT TWO TELEPHONE NUMBERS GIVEN
BY [] TO OTHERS IN THE CIRCLE ARE [] AND [].
THESE NUMBERS MAY BE SUBSCRIBED TO BY [] AND [],
[]. FURTHER, []
IS USING THE FOLLOWING TELENET DIAL AND NUMBERS: [],
[], AND [].

b6
b7c

LEADS: OKLAHOMA CITY. 1) UPON RECEIPT OF COPIES OF
REFERENCED TELETYPE AND PROTOTYPE COURT ORDER AND AFFIDAVIT, WILL
INSERT LOCAL DATA, AGENT'S NAME, LOCAL TELENET DIAL-IN NUMBERS,
PHONE COMPANY NAME, ETC., AND CONDUCT LEADS AS SET OUT FOR ALL
OFFICES IN ALEXANDRIA TELETYPE TO THE DIRECTOR, AUGUST 30, 1983.

2) WILL CONFIRM SUBSCRIBER INFORMATION FOR TELEPHONE NUMBERS

[REDACTED] AND [REDACTED]

3) WILL CONTACT AMERICAN AIRLINES AND ATTEMPT TO VERIFY
RESERVATIONS FOR SEPTEMBER 20, 1983, BY [REDACTED]
(OR VARIATIONS) FOR A FLIGHT ARRIVING AT APPROXIMATELY 1:00 PM
ON THAT DATE. (NOTE THAT THE NAME [REDACTED] MAY BE AN ALIAS
REFERING TO KEY BISCANE, FLORIDA.)

b6
b7c

4) WILL REVIEW LOCAL NEWSPAPERS FOR ANY RECENT ARTICLES
ON "HACKING OR PHONE PHREAKING" WHICH MAY GIVE INDICATION OF
IDENTITY OF ANY OF THE ABOVE-MENTIONED PARTICIPANTS.

BT

OC0 010 256 2050Z

PP HQ

00 AX

DE OC

P 13 1945Z SEP 83

FM OKLAHOMA CITY (196A-1270) (P)

TO DIRECTOR, FBI PRIORITY

ALEXANDRIA (196A-633) IMMEDIATE

BT

UNCLAS

MAINFRAME; FBW; CONSPIRACY; OO: ALEXANDRIA.

RE OKLAHOMA CITY TELCALL TO ALEXANDRIA, SEPTEMBER 13, 1983;
ALEXANDRIA TELETYPE TO DIRECTOR AND OTHERS, SEPTEMBER 12, 1983.

OKLAHOMA CITY HAS DETERMINED FROM CONTACT WITH

OFFICIALS THAT THEY WOULD PREFER THE

TRAP AND TRACE THROUGH THE USE OF A COURT ORDER. ON SEPTEMBER 13, 1983, A COURT ORDER WAS OBTAINED, SIGNED BY U.S. DISTRICT JUDGE DAVID RUSSELL, WDO, OKLAHOMA CITY. THIS ORDER WAS SERVED THIS

12 SEP 21 1983

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b7E

b6
b7C
b7E

b6
b7C

b7E

CONTACT WITH [REDACTED] OFFICIALS HAVE DETERMINED
THAT ALEXANDRIA SHOULD FURNISH ON A DAILY BASIS TO OKLAHOMA CITY

[REDACTED]
THIS INFORMATION SHOULD BE FURNISHED TO SA [REDACTED] AND
IF SA [REDACTED] IS NOT AVAILABLE, THE INFORMATION SHOULD BE FURNISHED
TO SA [REDACTED] OR SUPERVISOR [REDACTED].

b7E
b6
b7C

OKLAHOMA CITY, UPON RECEIPT OF INFORMATION FROM ALEXANDRIA,

b7E

FOR THE FURTHER INFORMATION OF ALEXANDRIA, INQUIRY AT THE
UNIVERSITY OF OKLAHOMA, NORMAN, OKLAHOMA, DETERMINED THAT [REDACTED]
[REDACTED] IS A PROFESSOR IN [REDACTED] RECORDS IN
THE REGISTRAR'S OFFICE ALSO INDICATE THAT [REDACTED] AND

b6
b7C

PAGE THREE OC 196A-1270 UNCLAS

[REDACTED] ARE STUDENTS ENROLLED IN THE UNIVERSITY OF OKLAHOMA AT NORMAN.

OKLAHOMA CITY IS MAKING NO FURTHER INQUIRY CONCERNING [REDACTED]

[REDACTED] AT THIS TIME PENDING THE OUTCOME OF TRAP AND TRACE ACTIVITY.

ALEXANDRIA, AT ALEXANDRIA, VIRGINIA - WILL FURNISH TO OKLAHOMA CITY ON A DAILY BASIS INFORMATION SO AS TO ALLOW TRAP AND TRACE PROCEDURES TO BE COMPLETED IN THE OKLAHOMA CITY AREA.

BT

b6
b7c

#

AX0012 256 0436Z

00 HQ AL BA BS BU DE LA NY TELETYPE UNIT

DE AX

P 13 2100Z SEPT 83

FM ALEXANDRIA (196A-633) (P)

RECEIVED
13 SEP 83 05 16Z

FEDERAL BUREAU
OF INVESTIGATION

TO DIRECTOR PRIORITY

ALBANY IMMEDIATE

BALTIMORE ROUTINE (INFO)

BOSTON ROUTINE (INFO)

BUFFALO IMMEDIATE

DETROIT ROUTINE (INFO)

LOS ANGELES IMMEDIATE

NEW YORK ROUTINE (INFO)

OKLAHOMA CITY IMMEDIATE

OMAHA IMMEDIATE

PHOENIX IMMEDIATE

SAN DIEGO ROUTINE (INFO)

BT

UNCLAS

CHANGED: "MAINFRAME"; FBW; CONSPIRACY (OO:AX)

TITLE CHANGED TO REFLECT CODE NAME FOR THIS CASE. TITLE

Exec AD-Adm.	
Exec AD-Inv.	
Exec AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

12 SEP 21 1983

9/30/83 - Code name
approved by Div 6, Bureau
indicates negative on "Mainframe" &
AS verbally advised that
code name was approved

NOV 25 1983

b6
b7C

PAGE TWO AX 196A-633 UNCLAS

PREVIOUSLY CARRIED AS "UNSUBS; [REDACTED] AKA [REDACTED]
[REDACTED] AKA [REDACTED]; ET AL; UNAUTHORIZED ENTRY INTO GENERAL
TELEPHONE AND ELECTRONICS (GTE) TELEMAIL SYSTEM; FRAUD BY WIRE;
CONSPIRACY. (OO:AX)".

b6
b7C

RE ALEXANDRIA TELETYPE TO DIRECTOR, AUGUST 27, AUGUST 30,
AND SEPTEMBER 2, 1983. (COPIES OF REFERENCED TELETYPES BEING
AIR MAILED TO ALBANY, BUFFALO, LOS ANGELES, OKLAHOMA CITY,
OMAHA AND PHOENIX.)

FOR INFORMATION OF BUREAU AND ALL RECEIVING OFFICES,
INVESTIGATION HAS IDENTIFIED 18 DIFFERENT SUBJECTS, EACH USING
AT LEAST ONE (SOME AS MANY AS FOUR OR FIVE) ALIASES, WHO ARE
CONTINUOUSLY ACCESSING GTE TELEMAIL.

[REDACTED] AKA [REDACTED] WAS [REDACTED]
[REDACTED] FOR THE "INNERCIRCLE", AND ILLEGAL TELEMAIL ELECTRONIC
"MAIL BOX", WHICH HE CREATED AFTER BREAKING THE PASSWORD FOR
AMERICAN HOSPITAL SERVICES CORPORATION, A LEGITIMATE TELEMAIL
USER.

b6
b7C

HE THEN CREATED "USER ACCOUNTS" IN THIS MAIL BOX FOR A NUMBER
OF USERS INCLUDING: [REDACTED] AND
OTHERS.

b6
b7C

PAGE THREE AX 196A-633 UNCLAS

[REDACTED] IS NOW [REDACTED] FOR AN ILLEGAL ACCOUNT CALLED TRIPLEX,
WITH THE FOLLOWING USERS: [REDACTED]

b6
b7C

[REDACTED] AND [REDACTED]

[REDACTED] (A PROBABLE ALIAS) CREATED TWO ILLEGITIMATE
ACCOUNTS IN THE LEGITIMATE ACCOUNT OF BMW CORPORATION AND CREATED
USER ACCOUNTS FOR [REDACTED]

b6
b7C

[REDACTED] AND [REDACTED] BOTH ACCOUNTS ARE CURRENTLY
ACTIVE.

[REDACTED] (A PROBABLE ALIAS) CREATED USER ACCOUNTS IN
A LEGITIMATE ORGANIZATION NAMED RADA AND CREATED AN ILLEGAL ACCOUNT
CALLED [REDACTED] (FOR [REDACTED]) IN RADA. HIS USERS ARE:

b6
b7C

[REDACTED]
[REDACTED]
[REDACTED] AND [REDACTED]

THERE ARE TWO OTHER ILLEGAL ACCOUNTS WHOSE SYSADM ARE UNKNOWN
AND THEY CONTAIN USERS [REDACTED]

[REDACTED] AND [REDACTED]

b6
b7C

FOR INFORMATION OF BUFFALO, [REDACTED] (FEMALE, WITH TWO
CHILDREN) AND [REDACTED] (MALE, POSSIBLY A REAL ESTATE SALESMAN)

PAGE FOUR AX 196A-633 UNCLAS

CONSISTENTLY ACCESS TELEMAIL THROUGH TELENET DIAL-IN NUMBERS

[] OR [], FROM THE [] AREA.

THE CONTENT OF THE MESSAGES INDICATED THAT [] HAS JUST BEGUN

COLLEGE CLASSES. [] PREVIOUSLY USED THE NAME []

AND []. HIS MESSAGES INDICATE HE MAY BE ASSOCIATED

WITH A HOME BUILDER, POSSIBLY [], IN A SALES CAPACITY.

FOR INFORMATION OF ALBANY, [] SENDS MESSAGES TO

[] AND [] AND [] USES A PRIVATE

DIAL-IN NUMBER (THAT IS, HE DOES NOT HAVE TO CALL FROM ANOTHER

NUMBER) ASSIGNED TO CORNELL UNIVERSITY. THIS NUMBER IS []

[] MESSAGES ALSO INDICATE HE IS NOW IN COLLEGE. HIS

ROOMMATE IS [] (LNU) AND [] USES THE NAME [] IN

HIS COMMUNICATIONS.

FOR INFORMATION OF PHOENIX AND OKLAHOMA CITY, []

[] SENDS MOST OF HIS MESSAGES TO [] OR [] AND []

IS CALLING FROM THE [] AREA USING TELENET DIAL-IN

NUMBER [] CONTINUES TO MENTION A TRIP TO VISIT

[] IN OKLAHOMA CITY OR NORMAN, OKLAHOMA, AND THAT HE WILL BE

BUYING MORE "HOOCHIE" (MARIJUANA) TO TAKE WITH HIM ON THAT TRIP.

SPECIFICALLY [] STATED HE WAS GOING TO FLY INTO OKLAHOMA CITY

b6
b7c

b6
b7c

b6
b7c

PAGE FIVE AX 196A-633 UNCLAS

AIRPORT ON SEPTEMBER 20, BY AMERICAN AIRLINES AND ARRIVE AT
APPROXIMATELY 1:00 PM.

FOR INFORMATION OF OKLAHOMA CITY, [REDACTED] HAS BEEN REFERRED
TO IN MESSAGES AS [REDACTED] AND LIVES WITH HIS FATHER. FURTHER,
REVIEW OF HIS MESSAGES INDICATE THE MAILING ADDRESS OF [REDACTED]

[REDACTED] WAS REFERRED
TO AS A "REMAIL" ADDRESS. [REDACTED] AND [REDACTED] BOTH USE
[REDACTED] AS A DIAL-IN NUMBER AND THEIR MESSAGES INDICATE THEY
KNOW AND VISIT EACH OTHER. DETROIT SOURCE ALSO PROVIDED THE

[REDACTED]
[REDACTED]
[REDACTED]
DETROIT SOURCE ALSO STATED THAT [REDACTED]
[REDACTED]
[REDACTED]

FOR INFORMATION OF LOS ANGELES, [REDACTED], AKA
[REDACTED], IS KNOWN TO HAVE A FIRST NAME OF [REDACTED]. THE DETROIT SOURCE
PROVIDED [REDACTED]
[REDACTED]
[REDACTED]

PAGE SIX AX 196A-633 UNCLAS

[REDACTED]
[REDACTED]
[REDACTED]. ACCORDING TO THE DETROIT SOURCE, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

b6
b7C
b7D

FOR INFORMATION OF OMAHA, [REDACTED], AKA [REDACTED],
IS APPARENTLY DOING BUSINESS AS [REDACTED]

[REDACTED], PHONE NUMBER
[REDACTED], WITH A HOME PHONE OF [REDACTED] IN [REDACTED]
[REDACTED] USES DIAL-IN NUMBER [REDACTED], AND LEAVES
MESSAGES FOR [REDACTED] AND OTHERS IN THE [REDACTED] GROUP.

b6
b7C

FOR INFORMATION OF SAN DIEGO, [REDACTED] LEAVES MESSAGES FOR
[REDACTED] AND THE TRIPLEX GROUP AND [REDACTED] AND THE [REDACTED] GROUP.

FOR INFORMATION OF BALTIMORE, NO FURTHER COMMUNICATIONS FROM
[REDACTED] HAVE BEEN NOTED FROM THE 301 AREA CODE.

FOR INFORMATION OF NEW YORK, INVESTIGATION HAS REVEALED THAT
[REDACTED] IS CALLING TELEMAL FROM [REDACTED], A NUMBER WITH
SUBSCRIBER INFORMATION AS FOLLOWS: [REDACTED]

b6
b7C

PAGE SEVEN AX 196A-633 UNCLAS

[REDACTED] FURTHER, [REDACTED]
IS THOUGHT TO BE [REDACTED], WITH A HOME PHONE OF [REDACTED] LISTED
TO [REDACTED] DETROIT SOURCE HAS [REDACTED]

b6
b7C
b7D

[REDACTED]
[REDACTED]
FOR INFORMATION OF ALL OFFICES, UNITED STATES ATTORNEY, EASTERN
DISTRICT OF VIRGINIA, INTENDS TO BRING CRIMINAL PROSECUTION AGAINST
ALL PARTICIPANTS IN THIS MATTER. EARLIER OFFICES INVOLVED WERE
REQUESTED TO GET COURT ORDERS FOR TRAP AND TRACE IN ADDITION TO OR
IN LIEU OF A CUSTOMER REQUEST ON THE RECOMMENDATION OF USA, EDVA.
HOWEVER, SOME OFFICES REPORTED THAT THE LOCAL TELEPHONE COMPANIES
INDICATED THAT A CUSTOMER COMPLAINT WOULD BE MORE EXPEDIENT.
THEREFORE AT THIS TIME COURT ORDERS FOR TRAP AND TRACE ARE NOT BEING
REQUESTED, BUT RATHER ALL OFFICES ARE REQUESTED TO GIVE THE NAME OF
THE PERSON AT THE TELEPHONE COMPANY THAT ATTORNEY [REDACTED] GTE,
MAY CONTACT TO REQUEST, ON THE BEHALF OF GTE, THAT A TRAP AND TRACE
BE INSTITUTED. FURTHER, IF A LOCAL TELEPHONE COMPANY HAS A PARTICULAR
FORM WHICH NEEDS TO BE EXECUTED, EACH OFFICE WILL IMMEDIATELY
FACSIMILE SUCH FORM TO ALEXANDRIA TO BE SIGNED AND RETURNED BY GTE
PERSONNEL.

b6
b7C

PAGE EIGHT AX 196A-633 UNCLAS

LEADS: ALBANY AT ITHICA (CORNELL UNIVERSITY): WILL OBTAIN
SUBSCRIBER INFORMATION FOR TELEPHONE NUMBER [REDACTED]

b6
b7C

BUFFALO AT ROCHESTER, NEW YORK: 1. WILL NOTIFY LOCAL TELEPHONE
COMPANY SECURITY MANAGER THAT [REDACTED], ATTORNEY FOR GTE
TELEMAIL, VIENNA, VIRGINIA, WILL CALL TO REQUEST TRAP AND TRACE ON
NUMBERS [REDACTED] AND [REDACTED], TO BE FOLLOWED BY LETTER
OF CONFIRMATION OR EXECUTED FORM, IF PROVIDED BY PHONE COMPANY.

b6
b7C

2. WILL PROVIDE ALEXANDRIA WITH THE NAME AND PHONE NUMBER OF PERSON
TO BE CONTACTED AND DIAL-IN NUMBERS TO BE GIVEN TO THE LOCAL TELEPHONE
COMPANY FOR TRAP AND TRACE. 3. WILL PROVIDE ALEXANDRIA WITH
SUBSCRIBER INFORMATION ON ANY NUMBERS OBTAINED BY THE TELEPHONE
COMPANY FROM TRAP AND TRACE. 4. WILL ASCERTAIN IF [REDACTED] IS A
BUILDER IN THE ROCHESTER AREA AND DISCRETELY INQUIRE ABOUT A
SALESMAN WITH FIRST NAME OF [REDACTED] OR [REDACTED].

b6
b7C

PHOENIX AT TUCSON, ARIZONA: WILL CONDUCT LEADS NUMBER 1,
2 AND 3, AS SET OUT FOR BUFFALO, USING DIAL-IN NUMBER [REDACTED].

LOS ANGELES AT LOS ANGELES: 1. WILL CONDUCT LEADS NUMBER 1,
2 AND 3, AS SET OUT FOR BUFFALO, USING DIAL-IN NUMBERS [REDACTED],

b6
b7C

[REDACTED] AND [REDACTED]. 2. WILL CONFIRM SUBSCRIBER INFORMATION
ON PHONE NUMBERS [REDACTED] AND [REDACTED], AND ATTEMPT TO

PAGE NINE AX 196A-633 UNCLAS

OBTAIN AN ACCURATE HOME ADDRESS FOR [REDACTED] AND/OR [REDACTED].

OMAHA AT OMAHA: 1. WILL CONDUCT LEADS NUMBER 1, 2 AND 3, AS SET OUT FOR BUFFALO, USING DIAL-IN NUMBER [REDACTED] 2. WILL CONFIRM SUBSCRIBER INFORMATION ON [REDACTED] AND OBTAIN SUBSCRIBER INFORMATION ON [REDACTED].

b6
b7C

NEW YORK AT STONYBROOK: 1. WILL CONDUCT DISCRETE INVESTIGATION TO DETERMINE WHETHER [REDACTED] IS A DORMITORY OR CLASSROOM BUILDING. 2. ATTEMPT TO OBTAIN ADDITIONAL IDENTIFIERS ON [REDACTED] 3. WILL CONFIRM SUBSCRIBER INFORMATION ON [REDACTED] AND ATTEMPT TO DISCRETELY DETERMINE IF [REDACTED] LIVES AT THAT ADDRESS.

OKLAHOMA CITY AT NORMAN, OKLAHOMA: 1. WILL OBTAIN ANY IDENTIFIERS ASSOCIATED WITH [REDACTED]

b6
b7C

TELEPHONE NUMBER [REDACTED] AND [REDACTED]

[REDACTED] TELEPHONE NUMBER [REDACTED] AND [REDACTED]

[REDACTED] 2. WILL DETERMINE IF A PROFESSOR WITH THE NAME [REDACTED] OR [REDACTED] IS ON THE FACULTY AT UNIVERSITY OF OKLAHOMA.

BT

AX0017 2520136Z

PP HQ

DE AX

P 092130Z SEPT 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR PRIORITY

BT

UNCLAS

CHANGED; UNSUB; [REDACTED]

AKA [REDACTED]

RECEIVED
TELETYPE UNIT

10 SEP 83 01 50Z

FEDERAL BUREAU
OF INVESTIGATION

Mr. Tolson	
Mr. DeLoach	
Mr. Mohr	
Mr. Bishop	
Mr. Casper	
Mr. Callahan	
Mr. Conrad	
Mr. Felt	
Mr. Gale	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Miss Holmes	
Miss Gandy	

080178

p1,2

10/1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(LNU); INNER CIRCLE;

OPERATIONS CIRCLE; PHALERS; [REDACTED]

[REDACTED]

AKA [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

DE 34
(LNU);

(LNU); [REDACTED]

12 SEP 16 1983

b6
b7C

b6
b7C

57 DEC 28 1983

[REDACTED]
[REDACTED]
[REDACTED] UNAUTHORIZED ENTRY INTO
GENERAL TELEPHONE ELECTRONICS (GTE) TELEMAIL SYSTEM; FBW, CONSPIRACY
(OO:AX)

b6
b7C

TITLE CHANGED TO REFLECT THE NAMES OF ADDITIONAL SUBJECTS AND
NEW ALIASES OF OTHER SUBJECTS.

RE ALEXANDRIA TELETYPES TO THE DIRECTOR, AUGUST 27, 1983;
AUGUST 30, 1983; SEPTEMBER 6, 1983; AND TELCAL TO SUPERVISOR [REDACTED]
[REDACTED], DIVISION 6.

b6
b7C

IN VIEW OF THE NUMBER OF SUBJECTS AND ALIASES INVOLVED, THE FACT
THAT THE UNSUBS ARE CONTINUALLY CREATING NEW NAMES FOR THEMSELVES
AND THE FACT THAT ADDITIONAL SUBJECTS ARE BEING CONTINUOUSLY
IDENTIFIED, THE CODE NAME "MAINFRAME" IS SUGGESTED FOR THIS CASE. //

FOR INFORMATION, IN THIS CASE, SUBJECTS ARE HACKING INTO A
"MAINFRAME", THAT IS A COMMERCIAL COMPUTER, RATHER THAN HACKING AT
SOFTWARE (I.E. PACKMAN GAMES).

SEARCH OF BUREAU INDICES CONDUCTED ON SEPTEMBER 9, 1983, WAS
NEGATIVE FOR SUGGESTED CODE NAME AND AUTHORITY HAS BEEN GRANTED FOR
ITS USE BY SUPERVISOR [REDACTED] ON SEPTEMBER 9, 1983, IN RE TELCAL.

b6
b7C

BT

4730/

Memorandum



Exec AD Adm. _____
Exec AD Inv. _____
Exec AD LES _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Insp. _____
Intell. _____
Lab. _____
Legal Coun. _____
Off. Cong. &
Public Affs. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Telephone Rm. _____
Director's Sec'y _____

To : Mr. Revell

Date September 7, 1983

From :

Subject : UNSUBS;

AKA

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE ELECTRO-
NICS (GTE) TELEMAL SYSTEM; FBW, CONSPIRACY, OO: ALEXANDRIA

GTE TELEMAL SYSTEM

PURPOSE:

To provide update information concerning this investi-
gation of unauthorized accesses to the General Telephone and
Electronics Company (GTE) Telemail system.

RECOMMENDATION:

None, for information only.

APPROVED:

Director _____	Adm. Servs. _____	Laboratory _____
Exec. AD-Adm. _____	Crim. Inv. _____	Legal Coun. _____
Exec. AD-Inv. _____	Ident. _____	Off. of Cong. & Public Affs. _____
Exec. AD-LES _____	Inspection _____	Rec. Mgnt. _____
	Intell. _____	Tech. Servs. _____
		Training _____

DETAILS:

GTE owns and operates a computer network known as Telenet which links various subscriber businesses and government agencies in numerous cities. Within Telenet is a service known as Telemail

KD:sm (7)

DE-83 196-4713-443

1 - Mr. Revell

1 - [Redacted]

1 - [Redacted]

1 - [Redacted]

1 - [Redacted]

1 - [Redacted]

10 OCT 11 1983

b6
b7C

EIGHT 148/2

TWO

[redacted] to Mr. Revell Memorandum
RE: UNSUBS; [redacted]

b6
b7C

which offers computerized message capability between Telemail customers. Recently, GTE learned that their Telemail system has been accessed by unauthorized intruders. The intruders obtain subscriber passwords and create "bulletin boards" which provide access and other information to other intruders.

Currently, three loosely organized groups or circles of intruders have been identified by the Alexandria Field Office. The "Inner Circle" seems to consist of younger intruders some of whom are in the Detroit, Michigan area; the "Phalsers" seem to be more malicious and have penetrated and eliminated some records and communications associated with CoCa Cola Company and Raytheon; and the [redacted] group (short for [redacted]) which seems to operate out of the Oklahoma City, Oklahoma area.

b6
b7C

These groups are known to have penetrated Telemail user companies and agencies such as IBM; NASA; Jet Propulsion Laboratory; Time, Incorporated; TRW; Hughes Aircraft Corp.; Northrop Corp; U.S. Department of Agriculture; BMW; and National Systems Management, Inc. Additionally, the "Phalsers" gained access to the Department of Defense (DOD) ARPNET system. In a message dated 8/28/83, [redacted] described the DOD advanced Research Projects Agency in detail including its location and some of its research projects such as "nuclear monitoring research, lazer beam, and particle technology". [redacted] also left messages and information concerning access of ARPNET.

b6
b7C

In one instance in July 1983, GTE prevented [redacted] from accessing an internal system by changing the password. [redacted] responded with an irate message that she was very angry at being prevented from accessing the system. She threatened that if she can access "SYSADM" then GTE Telenet "is finished". Access to "SYSADM" would allow a person to disrupt the entire Telemail system.

b6
b7C

Messages left on "bulletin boards" are providing information of lead value as Alexandria Field Office attempts to identify the unauthorized intruders of the GTE Telemail system. Meanwhile, trap and trace procedures are being instituted in Baltimore, Detroit, New York, and San Diego which will determine the home telephone numbers of the intruders once the trap and trace procedures have started.

AX0008 287 2231Z

OO HQ AL BU DE LA NY OC OM PH SD

DE AX

P 014 1700Z OCT 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR IMMEDIATE

ALBANY ROUTINE

BUFFALO ROUTINE

DETROIT ROUTINE

LOS ANGELES ROUTINE

NEW YORK ROUTINE

OKLAHOMA CITY ROUTINE

OMAHA ROUTINE

PHOENIX ROUTINE

SAN DIEGO ROUTINE

BT

UNCLAS

MAIN FRAME; FBW; CONSPIRACY; (OO:AX) DE-71

RE ALEXANDRIA TELETYPE TO DIRECTOR, OCTOBER 6, 1983, AND
OCTOBER 13, 1983.

FOR INFORMATION OF THE BUREAU AND ALL RECEIVING OFFICES, 7 OCT 18 1983

64 DEC 27 1983

RECEIVED
TELETYPE UNIT

14 OCT 83 23 07 Z
FEDERAL BUREAU
OF INVESTIGATION

Exec AD-Adm.	
Exec AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Insp.	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b6
b7C

b6
b7C

PAGE TWO AX 196A-633 UNCLAS

SEARCHES CONDUCTED ON OCTOBER 13, 1983, IN NEW YORK (STATE UNIVERSITY OF NEW YORK AT STONEYBROOK AND PORT JEFFERSON) AND SAN DIEGO ALSO RECOVERED PERSONAL COMPUTERS IN EVIDENCE OF HACKING.

NO OTHER SEARCHES ARE ANTICIPATED IN THE IMMEDIATE FUTURE IN THIS MATTER.

FOR INFORMATION OF NEW YORK, ALEXANDRIA IS CONTINUING ATTEMPTS TO IDENTIFY UNSUB, AKA, [REDACTED], WHO IS A MAJOR HACKER THOUGHT TO BE IN THE NEW YORK AREA. NEW YORK IS THEREFORE REQUESTED TO EXPEDITE TRANSFER OF EVIDENCE FROM SEARCH OF WUSB RADIO STATION AND RESIDENCE AT [REDACTED] SINCE THAT SUBJECT IS AN ASSOCIATE OF [REDACTED] AND IT^{IS} EXPECTED THAT A TRUE NAME AND PHONE NUMBER OR ADDRESS WILL BE IN SEIZED PAPERS.

b6
b7C

FOR INFORMATION OF ALL OFFICES, REQUESTS BY ALEXANDRIA IN REFERENCED TELETYPES TO TRANSFER ALL HARDWARE, ETC., TO USA'S OFFICE, 701 PRINCE STREET, ALEXANDRIA, VIRGINIA 22314, ATTENTION: AUSA [REDACTED], SHOULD HAVE CONTINUED THAT ALEXANDRIA CASE AGENT WILL ACTUALLY RECEIVE THE EVIDENCE AT THAT OFFICE TO ENSURE APPROPRIATE CHAIN OF CUSTODY IS REFLECTED ON ENCLOSED FD-192'S.

BT

b6
b7C

AX0016 287 0133Z

OO HQ

DE AX

P 014 2230Z OCT 83

DEPT. OF JUSTICE
FEDERAL BUREAU
OF INVESTIGATION

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Telephon. Rm.	
Director's Sec'y	

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR IMMEDIATE

ATTN: CONGRESSIONAL AFFAIRS SECTION, WHITE COLLAR CRIME UNIT.

BT

INCLAS

12 "MAINFRAME"

FBW; CONSPIRACY (OO: AX)

RE ALEXANDRIA TELETYPE TO THE DIRECTOR OCTOBER 6, 1983, OCTOBER 13, 1983 AND OCTOBER 14, 1983.

AS THE BUREAU IS AWARE, EXTENSIVE MEDIA COVERAGE HAS BEEN ATTRACTED TO THIS CASE AND SEVERAL INQUIRES HAVE BEEN RECEIVED CONCERNING THE POSSIBILITY OF INTRUSION INTO DOD COMPUTER SYSTEMS.

THIS PRESS INTEREST APPARENTLY STEMS FROM STATEMENTS BY FAMILY MEMBERS OF A RESIDENCE SEARCHED IN DETROIT, MICHIGAN.

FOR INFORMATION, INVESTIGATION IN THIS CASE HAS NOT REVEALED ANY KNOWN PENETRATION OF DOD COMPUTER SYSTEMS. INTRUDERS IN THE TELEMAIL COMPUTER DID PASS ON THE FACT THAT, IN THE RECENT PAST, A NEW SYSTEM, MILNET, WAS SPLITTERED OUT OF ARPANET. GTE PERSONNEL INDICATED THAT THIS WAS PUBLIC SOURCE INFORMATION AND

64 DEC 27 1983

b6
b7c

b6
b7c

PAGE TWO AX (196A-633) UNCLAS

NEED NOT BE DERIVED FROM ELECTRONIC INTERCEPTION.

ALTHOUGH NOT WITHIN THE SCOPE OF THIS INVESTIGATION, IT
APPEARS THAT ARPANET IS A COMPUTER NETWORK SYSTEM SET UP
TO PROVIDE COMMUNICATIONS BETWEEN UNIVERSITIES CONDUCTING RESEARCH
EXACG FUNCTION OF MILNET IS UNKNOWN TO THIS OFFICE

BT

CRIMINAL INVESTIGATIVE DIVISION

INFORMATIVE NOTE

Date 9/30/83

MAINFRAME;
 Re: FBW; CONSPIRACY;
 OO: ALEXANDRIA

By attached teletype, Alexandria advises that investigation into this matter (previously captioned "Unsubs," [redacted], Et Al; unauthorized entry into GTE Telemail System") has revealed that unauthorized intruders into the GTE Telemail System in eight cities throughout the U.S. have been identified. Alexandria is now drafting affidavits for search warrants and it is anticipated that by 10/3/83 those affidavits will be facsimiled to the eight field offices for presentation to local Federal Magistrates. When the desired search warrants have been authorized, they will be simultaneously executed so as to prevent subjects from notifying each other resulting in the possible destruction of evidence.

b6
 b7C

Enclosure

1 - Mr. Revell

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - Night Duty Desk

b6
 b7C

KD: [initials] (7)

APPROVED:

Adm. Servs. [initials]

Laboratory _____

Crim. Inv. [initials]

Legal Coun. _____

Director _____

Off. of Cong.

& Public Affs. _____

Exec. AD-Adm. _____

Ident. _____

Rec. Mgnt. _____

Exec. AD-Inv. _____

Inspection _____

Tech. Servs. _____

Exec. AD-LES _____

Trng. _____

Testing _____

AX0006 2722159Z

RR HQ AL BU DE LA NY OC OM PX SD

DE AX

R 292030Z SEPT 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR ROUTINE

ALBANY ROUTINE

BUFFALO ROUTINE

DETROIT (28E-847) ROUTINE

LOS ANGELES ROUTINE

NEW YORK IMMEDIATE

OKLAHOMA CITY (196A-1270) ROUTINE

OMAHA ROUTINE

PHOENIX ROUTINE

SAN DIEGO (196B-1018) ROUTINE

BT

UNCLAS

MAINFRAME; FRAUD BY WIRE; CONSPIRACY (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, SEPTEMBER 12, 1983.

FOR INFORMATION OF THE BUREAU AND ALL RECEIVING OFFICES,
INVESTIGATION HAS REVEALED THE SOURCE OF INCOMING CALLS TO GTE'S

196-4713-

2 OCT 6 1983

RECEIVED
TELETYPE UNIT

29 SEP 83 22 24z

FEDERAL BUREAU
OF INVESTIGATION

Exec AD-Adm.	
Exec AD-Inv.	
Exec AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b6
b7C

PAGE TWO AX 196A-633 UNCLAS

TELEMAIL SYSTEM IN EIGHT DIFFERENT CITIES. ALEXANDRIA (SA [REDACTED]) IS WORKING WITH AUSA [REDACTED], EDVA, TO DRAFT AFFIDAVITS FOR SEARCH WARRANTS TO BE EXECUTED IN THESE EIGHT CITIES.

ALEXANDRIA ANTICIPATES THAT ALL AFFIDAVITS WILL BE DRAFTED BY OCTOBER 3, 1983, AND THEY WILL BE FACSIMILED TO THE APPROPRIATE FIELD OFFICE FOR PRESENTATION TO THE LOCAL AUSA FOR REVIEW AND PROMPT PRESENTATION TO A FEDERAL MAGISTRATE. ALEXANDRIA WILL REQUEST THAT ALL OFFICES NOTIFY ALEXANDRIA (SA [REDACTED]) BY TELCALL WHEN WARRANT IS SIGNED SO THAT ALEXANDRIA MAY COORDINATE THE SIMULTANEOUS EXECUTION OF THE SEARCHES IN ALL CITIES. THIS IS NECESSARY TO PREVENT SUBJECTS FROM NOTIFYING OTHER SUBJECTS OF THE ONGOING SEARCHES, RESULTING IN THE POSSIBLE DESTRUCTION OF EVIDENCE. AT THIS TIME, PROBABLE CAUSE IS AVAILABLE AND AFFIDAVITS ARE BEING DRAFTED FOR THE FOLLOWING LOCATIONS:

b6
b7C

1. ALBANY DIVISION (ITHICA), [REDACTED]

[REDACTED] ROOM OF [REDACTED] AND [REDACTED]

2. BUFFALO DIVISION (ROCHESTER), RESIDENCE OF [REDACTED]

b6
b7C

3. DETROIT DIVISION, RESIDENCE OF [REDACTED]

[REDACTED]
4. LOS ANGELES, RESIDENCE OF [REDACTED]
[REDACTED]

5. OKLAHOMA CITY, RESIDENCE OF [REDACTED]
[REDACTED]

6. OMAHA, RESIDENCE OF [REDACTED]
[REDACTED]

7. PHOENIX, RESIDENCE OF [REDACTED]
[REDACTED]

8. SAN DIEGO, RESIDENCE OF [REDACTED]
[REDACTED]

b6
b7C

b6
b7C

FOR INFORMATION OF NEW YORK, INVESTIGATION TO DATE INDICATES A
STRONG POSSIBILITY THAT [REDACTED], AGE [REDACTED]

b6
b7C

[REDACTED], TELEPHONE NUMBER [REDACTED], IS

[REDACTED], A MAJOR HACKER IN TELEMAL. FURTHER, TRAP AND TRACE BY
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

b6
b7C
b7E

TELEPHONE NUMBER [REDACTED]

[REDACTED], TELEPHONE NUMBER [REDACTED], AND ALSO
TELEPHONE NUMBER [REDACTED], CUSTOMER NAME AND ADDRESS INFORMATION
UNCLEAR.

b6
b7C
b7E

LEADS: NEW YORK AT NEW YORK: 1.) WILL DETERMINE IF THERE IS
ANOTHER TELEPHONE LINE LISTED TO THE [REDACTED]
[REDACTED], ADDRESS AS HACKERS ALSO HAVE A SEPARATE LINE FOR THE
COMPUTER. 2.) WILL OBTAIN SUBSCRIBER INFORMATION ON TELEPHONE
NUMBER [REDACTED]. 3.) WILL OBTAIN FROM [REDACTED]
[REDACTED] CURRENT INFORMATION AVAILABLE FROM TRAP AND TRACES,
SPECIFICALLY NOTING TELEPHONE NUMBERS [REDACTED];

b6
b7C
b7E

OMAHA AT COUNCIL BLUFFS, IOWA: WILL OBTAIN SPECIFIC ADDRESS
AND DESCRIPTION OF RESIDENTS OF [REDACTED], TELEPHONE
NUMBER [REDACTED] (COMPUTER PHONE) AND [REDACTED] (PLEASE
REPLY BY TELEPHONE CALL TO ALEXANDRIA - SA [REDACTED].)

b6
b7C

PHOENIX AT TUCSON, ARIZONA: WILL OBTAIN ALL IDENTIFYING
INFORMATION AVAILABLE FOR [REDACTED]
[REDACTED], TELEPHONE NUMBERS [REDACTED] AND [REDACTED].

b6
b7C

PAGE FIVE AX 196A-633 UNCLAS

SPECIFICALLY, DOES A 17 OR 18 YEAR OLD MALE LIVE AT THAT ADDRESS
AND ARE BOTH PHONE NUMBERS LISTED TO [REDACTED]. (PLEASE
REPLY BY TELEPHONE CALL TO ALEXANDRIA - SA [REDACTED].)

BUFFALO AT ROCHESTER, NEW YORK: SINCE MESSAGES RECORDED FROM

b6
b7c

[REDACTED] TO [REDACTED] INDICATE THE POSSIBILITY OF TWO COMPUTER
TERMINALS AT THE ADDRESS [REDACTED]

ROCHESTER WILL PROVIDE DESCRIPTION OF RESIDENCE, SPECIFICALLY
LOOKING FOR AN ATTACHED BUILDING SERVING AS AN OFFICE (FOR EXAMPLE,
A CONVERTED GARAGE OR ADDITION TO THE HOUSE). (PLEASE REPLY BY
TELEPHONE CALL TO ALEXANDRIA - SA [REDACTED].)

b6
b7c

BT

AX0010 2791800Z

RR HQ AL BU DE LA NY OC OM PX SD

DE AX

R 6 0048Z OCT83

FM ALEXANDRIA (196A-633)

TO DIRECTOR ROUTINE

ALBANY ROUTINE

BUFFALO ROUTINE

DETROIT (28E-847) ROUTINE

LOS ANGELES ROUTINE

NEW YORK (SECTION M-1) ROUTINE

OKLAHOMA CITY (196A-1270) ROUTINE

OMAHA ROUTINE

PHOENIX ROUTINE

SAN DIEGO (196B-1018) ROUTINE

BT

UNCLAS

MAINFRAME; FBW; CONSPIRACY (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, SEPTEMBER 29, 1983.

FOR INFORMATION OF BUREAU AND ALL RECEIVING OFFICES,

ALEXANDRIA IS FORWARDING BY EXPRESS MAIL 12 AFFIDAVITS IN SUPPORT

RECEIVED
TELETYPE UNIT
7 OCT 83 01 14Z
FEDERAL BUREAU
OF INVESTIGATION

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Insp.	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Serv.	
Training	
Telephone Rm.	
Director's Sec'y	

7

[Redacted signature]

b6
b7C

196-4713-8

OCT 13 1983

[Handwritten initials]

57 NOV 25 1983

PAGE TWO AX 196A-633 UNCLAS

OF SEARCH WARRANTS TO BE EXECUTED AT THE FOLLOWING LOCATIONS:

1.) ALBANY DIVISION - ALBANY, [REDACTED]

[REDACTED] ROOM OF [REDACTED] AKA [REDACTED]

b6
b7C

ALBANY DIVISION - ITHACA, [REDACTED]

[REDACTED] ROOM OF [REDACTED] AKA [REDACTED]

[REDACTED] AND [REDACTED] AKA [REDACTED]

2.) BUFFALO DIVISION - ROCHESTER, [REDACTED]

[REDACTED] RESIDENCE OF [REDACTED] AKA [REDACTED]

[REDACTED] AND [REDACTED] AKA [REDACTED] AND [REDACTED]

b6
b7C

3.) DETROIT DIVISION - DETROIT, [REDACTED]

[REDACTED] RESIDENCE OF [REDACTED] AKA [REDACTED]

4.) LOS ANGELES DIVISION - BEVERLY HILLS, [REDACTED]

[REDACTED] RESIDENCE OF [REDACTED] AKA [REDACTED]

b6
b7C

LOS ANGELES - IRVINE, [REDACTED]

RESIDENCE OF [REDACTED] AKA [REDACTED] (TELEPHONE SUBSCRIBER IS [REDACTED])

b6
b7C

LOS ANGELES - IRVINE, [REDACTED]

RESIDENCE

OF [REDACTED] SUBJECT USES ALIAS [REDACTED]

LOS ANGELES - IRVINE, [REDACTED]

RESIDENCE OF [REDACTED] AND [REDACTED] SUBJECT USES ALIAS [REDACTED]

5.) DETROIT DIVISION - SCARSDALE, [REDACTED]

b6
b7C

[REDACTED] RESIDENCE OF [REDACTED] AKA

[REDACTED]

6.) OKLAHOMA CITY DIVISION - NORMAN, [REDACTED]

[REDACTED] RESIDENCE OF [REDACTED] AKA [REDACTED]

[REDACTED]

b6
b7C

7.) OMAHA DIVISION - COUNCIL BLUFFS, IOWA, [REDACTED]

[REDACTED] RESIDENCE OF [REDACTED]

[REDACTED] AKA [REDACTED]

8.) PHOENIX DIVISION - TUCSON, [REDACTED]

[REDACTED] RESIDENCE OF [REDACTED] SUBJECT USES ALIAS [REDACTED]

[REDACTED]

b6
b7C

FOR INFORMATION OF SAN DIEGO, ADDITIONAL INVESTIGATION HAS
INDICATED THE POSSIBILITY THAT THE PHONE NUMBER [REDACTED]

SUBSCRIBED TO BY [REDACTED]

MAY NOT BE THE RESIDENCE OF [REDACTED] (LNU), AKA [REDACTED]

THEREFORE NO SEARCH WILL BE EXECUTED AT THIS TIME.

FOR ALL OFFICES, SOME SUBJECTS HAVE STATED IN MESSAGES THAT THEY HAVE "SELF-DESTRUCT MECHANISMS" SET UP ON METAL BOXES CONTAINING MAGNETIC TAPES, DISCS, ETC., THAT WILL REMOVE ALL INFORMATION IF THE BOX IS OPENED IMPROPERLY. IN PARTICULAR, SUBJECT [REDACTED], IN [REDACTED], HAS STATED THAT TO PROPERLY OPEN THE METAL BOX CONTAINING HIS TAPES, ONE MUST PLACE A MAGNET ON THE UPPER LEFT CORNER OF THE LID WHILE OPENING.

b6
b7c

ALL SUBJECTS ROUTINELY USE STOLEN LONG DISTANCE SPRINT, MCI OR METROFONE ACCESS CODES AND MOST HAVE "BLUE BOXES, BLACK BOXES OR SILVER BOXES" TO ILLEGALLY ACCESS LONG DISTANCE LINES. HOWEVER, THESE "BOXES" MAY NOT BE BOXES AT ALL. THE MORE MODERN ONES ARE ACTUALLY COMPUTER TAPES THAT PROGRAM THE HOME COMPUTER TO ACCESS THE LONG DISTANCE LINES. THESE TAPES MAY BE LABELED "TSPS".

FINALLY, ALL SUBJECTS HAVE NOTEBOOKS, FILES, ETC., LISTING ALIASES, TRUE NAMES AND HOME PHONE NUMBERS FOR OTHER SUBJECTS THAT WOULD BE CRUCIAL FOR THE IDENTIFICATION OF ADDITIONAL UNSUBS IN THIS MATTER.

FOR INFORMATION, SAC, ALEXANDRIA, IS NOT MAKING A PRESS RELEASE IN THIS MATTER, AND SINCE SOME SUBJECTS ARE JUVENILES, REQUESTS THAT RECEIVING OFFICES COMPLY.

PAGE FIVE AX 196A-633 UNCLAS

LEADS FOR ALL OFFICES:

1.) SINCE IT IS KNOWN THAT MANY OF THESE SUBJECTS ARE IN FREQUENT TELEPHONE VOICE CONTACT WITH EACH OTHER, IT IS IMPORTANT THAT ALL SEARCHES TAKE PLACE AT THE SAME TIME TO PREVENT SUBJECTS FROM WARNING EACH OTHER. THEREFORE ALL SEARCHES SHOULD BEGIN AT 9:00 EASTERN TIME (6:00 AM PACIFIC) ON WEDNESDAY, OCTOBER 12, 1983.

2.) EACH AGENT RESPONSIBLE FOR A SEARCH IS REQUESTED TO CALL ALEXANDRIA (SA [REDACTED]) ON TUESDAY, OCTOBER 11, 1983, TO OBTAIN ANY ADDITIONAL DETAILS OR SPECIAL CIRCUMSTANCES CONCERNING THE RESIDENTS TO BE SEARCHED (ALEXANDRIA FTS 967-1200).

b6
b7c

3.) SHOULD LOCAL AUSA'S HAVE ANY QUESTIONS REGARDING THE WARRANTS, THEY SHOULD CONTACT AUSA [REDACTED], EDVA, FTS 557-9100.

4.) EACH AGENT SWEARING TO AFFIDAVITS SHOULD REQUEST THAT THEIR MAGISTRATE SEAL THE AFFIDAVIT TO PROTECT INFORMANT INFORMATION AND/OR TECHNIQUES USED IN THE INVESTIGATION.

5.) SEIZED PROPERTY SHOULD BE HANDLED AS FOLLOWS: A.) COPIES OF ALL NOTES, FILES, ETC., SHOULD BE FORWARDED TO THE ALEXANDRIA OFFICE AS SOON AS POSSIBLE FOR REVIEW FOR LEAD INFORMATION.

PAGE SIX AX 196A-633 UNCLAS

B.) ALL HARDWARE, COMPUTERS, TAPES, DISCS, ORIGINAL NOTES, ETC., SHOULD BE PROTECTIVELY PACKAGED AND SHIPPED TO THE U.S. ATTORNEY, EDVA, 701 PRINCE STREET, ALEXANDRIA, VIRGINIA 22314, ATTENTION AUSA [REDACTED]. THIS MATERIAL SHOULD NOT BE SUBJECTED TO X-RAYS, MAGNETS, OR EXTREME HEAT OR COLD DURING SHIPPING AS THIS COULD CAUSE A LOSS OF DATA ON THE TAPES, DISCS, ETC. C.) BEFORE AND AFTER PHOTOGRAPHS OF COMPUTER SET-UPS, MODEMS, ETC., ARE REQUESTED.

b6
b7c

BT

AX0009 3111829Z

RR HQ BS CG CO DN HO LA NY

DE AX

R 071730Z NOV 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR ROUTINE

BOSTON ROUTINE

CHICAGO ROUTINE

COLUMBUS ROUTINE

DENVER ROUTINE

HOUSTON ROUTINE

LOS ANGELES ROUTINE

NEW YORK ROUTINE

BT

UNCLAS

MAIN FRAME; FBW; CONSPIRACY; (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, OCTOBER 6, 1983, AND
OCTOBER 13, 1983.

FOR INFORMATION OF BOSTON, CHICAGO, COLUMBUS, DENVER, AND
HOUSTON, ON OCTOBER 12 AND 13, 1983, A TOTAL OF 15 SEARCHES WERE
EXECUTED IN NINE CITIES IN CAPTIONED MATTER. SEARCHED WERE FOR

196-4713 9

12 NOV 18 1983

ASAC	
ADM.	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Insp.	
Intell.	
Laboratory	
Legal Coun.	
Rec. Mgmt.	
Tech. Servs.	
Training	
Off. of Cong. & Public Affs.	
Telephone Rm.	
Director's Sec'y	

b6
b7c

PAGE TWO AX 196A-633 UNCLAS

COMPUTERS AND COMPUTER-RELATED PARAPHERNALIA USED TO ILLEGALLY ACCESS GTE'S ELECTRONIC MESSAGE DELIVERY SYSTEM CALLED TEEMAIL. ALL INTRUDERS INTO THE SYSTEM USED ALIASES. EVIDENCE OBTAINED IN SEARCHES REVEAL PHONE NUMBERS AND ADDRESSES FOR ADDITIONAL UNSUBS.

FOR INFORMATION OF CHICAGO, UNSUB [REDACTED] (LNU), AKA: [REDACTED] [REDACTED], AKA: [REDACTED], WAS ALLEGEDLY ARRESTED LOCALLY IN CHICAGO DURING THE LAST YEAR FOR TELEPHONE FRAUD, INCLUDING ILLEGAL USE OF PAY PHONES AND OBTAINING ADDITIONAL TELEPHONE LINES WITHOUT PAYING. THE TELEPHONE NUMBER [REDACTED] IS ASSOCIATED WITH THE NAME [REDACTED] AND [REDACTED] (LNU).

b6
b7C

ALL OFFICES ARE REQUESTED TO PROVIDE CUSTOMER NAME AND ADDRESS ON PHONE NUMBERS OR POST OFFICE BOX NUMBERS PROVIDED AND ANY AND ALL ADDITIONAL IDENTIFIERS AVAILABLE.

LEADS: BOSTON, AT BOSTON, MASSACHUSETTS. WILL OBTAIN CUSTOMER NAME AND ADDRESS ON TELEPHONE NUMBER [REDACTED].

CHICAGO, AT CHICAGO, ILLINOIS. 1) WILL OBTAIN CUSTOMER NAME AND ADDRESS ON TELEPHONE NUMBER [REDACTED]. 2) WILL CONTACT LOCAL TELEPHONE COMPANY SECURITY OFFICER FOR ANY INFORMATION ON CHARGES AGAINST [REDACTED] (LNU), AKA: [REDACTED].

b6
b7C

PAGE THREE AX 196A-633 UNCLAS

AKA: [REDACTED], POSSIBLY INVOLVING ADDITIONAL TELEPHONE LINES
AT THE SAME ADDRESS AS TELEPHONE NUMBER [REDACTED].

b6
b7C

COLUMBUS, AT COLUMBUS, OHIO. WILL OBTAIN CUSTOMER NAME AND
ADDRESS FOR TELEPHONE NUMBERS [REDACTED]

[REDACTED].

DENVER, AT DENVER COLORADO. WILL OBTAIN CUSTOMER NAME AND
ADDRESS FOR TELEPHONE NUMBER [REDACTED].

WILL ALSO OBTAIN ALL IDENTIFIERS ON [REDACTED]

b6
b7C

[REDACTED]. THIS BOX NUMBER IS SUBSCRIBED TO BY

[REDACTED], WHICH IS AN ALIAS.

HOUSTON, AT HOUSTON, TEXAS. WILL OBTAIN CUSTOMER NAME AND
ADDRESS FOR TELEPHONE NUMBER [REDACTED]

LOS ANGELES, AT LOS ANGELES, CALIFORNIA. WILL OBTAIN
CUSTOMER NAME AND ADDRESS FOR TELEPHONE NUMBER [REDACTED], AND

b6
b7C

NEW YORK, AT NEW YORK, NEW YORK. WILL OBTAIN CUSTOMER NAME
AND ADDRESS FOR THE FOLLOWING NUMBERS: [REDACTED]

b6
b7C

BT

AX0008 2911821Z

RR HQ

DE AX

R 181815Z OCT 83

M ALEXANDRIA (196A-633) (P)

TO DIRECTOR ROUTINE

BT

UNCLAS

ATTN: SYSTEMS DEVELOPMENT SECTION, INVESTIGATION SUPPORT SYSTEMS
UNIT, [REDACTED]

MAINFRAME; FRAUD BY WIRE; CONSPIRACY (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, OCTOBER 13, 1983 AND
OCTOBER 14, 1983.

AS A RESULT OF THE 15 SEARCHES CONDUCTED IN THIS MATTER,
APPROXIMATELY 16 PERSONAL COMPUTERS AND RELATED HARDWARE HAVE
BEEN SEIZED. THIS HARDWARE IS BEING SHIPPED TO ALEXANDRIA FOR
ANALYSIS FOR PROSECUTIVE CONSIDERATION.

INITIAL INFORMATION RECEIVED FROM FIELD OFFICES INVOLVED
INDICATES A VARIETY OF HOME COMPUTERS TO INCLUDE TRS-80, APPLE II E,
ATARI AND PERHAPS OTHER. AN ESTIMATED 200 - 300 FLOPPY DISCS WERE
ALSO SEIZED (BRANDS UNKNOWN).

12 NOV 9 1983

Per Sup
Leads handled by Div 6 & 11 (further contact) from address
Div 8 supports not necessary
10/15/83

RECEIVED
TELETYPE UNIT

18 OCT 83 18 30z

FEDERAL BUREAU
OF INVESTIGATION

Mr. Tolson	
Mr. Adams	
Mr. Anderson	
Mr. Bishop	
Mr. Callahan	
Mr. Conrad	
Mr. Felt	
Mr. Gale	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Mr. Holmes	
Miss Gandy	

b6
b7c

b6
b7c

SYS. DIV. SEC.

PAGE TWO AX 196A-633 UNCLAS

ANALYSIS OF THIS EVIDENCE WILL REQUIRE A PERSON FAMILIAR WITH THE VARIOUS TYPES OF EQUIPMENT AND ABLE TO RETRIEVE INFORMATION FROM THE DISCS, OBTAIN A PRINT-OUT AND ALSO INTERPRET ANY CODED OR PROGRAMMED MATERIAL PRESENT.

IT IS ESTIMATED THAT A MINIMUM OF TWO TO THREE WEEKS FULL-TIME ANALYSIS WILL BE REQUIRED, WITH THE WORK TO BE DONE AT THE UNITED STATES ATTORNEY'S OFFICE, ALEXANDRIA, VIRGINIA. [REDACTED] *FB/HQ say*

AUSA [REDACTED], EDVA, IS THE ATTORNEY HANDLING THIS CASE.

HE HAS WORKED IN A SIMAR MATTER WITH [REDACTED], PHD, AND

b6
b7C

[REDACTED] STATED [REDACTED] WOULD BE AVAILABLE AS A CIVILIAN CONSULTANT AND ABLE TO PERFORM THE ABOVE MENTIONED ANALYSES, WITH COMPENSATION AT THE PREVAILING HOURLY RATE.

REQUEST OF THE BUREAU:

1.) WILL INFORM ALEXANDRIA WHETHER BUREAU EXPERTS ARE AVAILABLE TO PROVIDE ANALYSIS AS DESCRIBED ABOVE.

2.) IF NOT, WILL INFORM ALEXANDRIA IF APPROVAL IS GRANTED TO OBTAIN THE SERVICES OF [REDACTED] TO PERFORM ANALYSES.

b6
b7C

BT

AIRTEL

From: Director, FBI
(Attn: Photographic Processing Unit, Rm. 1B903)

Date: 10/26/83

To: SAC, OMAHA (196A-922)

Subject: **MAIN FRAME**
PBW; CONSPIRACY
OO: ALEXANDRIA

FBIHQ USE ONLY

	Initials	Date
Received		
Developed		
Printed		
Enlargements		
Slides		
Copied		
Other		

1. ENCLOSED PHOTOGRAPHIC WORK RELATES TO:

☒ Current Investigation ☐ Mug Shot ☐ Other

2. ENCLOSURE(S)

Film To Be Processed

Size	Color	B&W	Quantity
4x5			
135	<input checked="" type="checkbox"/>		1
126			
120			
Slides			

Movie Film or Microfilm

Size	Color	B&W	Quantity
16mm			
35mm			
8(super)			
70mm AHU			

Negatives To Be Printed

Size	Color	B&W	Quantity
8x10			
4x5			
135			
120			
126			
220			
110			

Other

Item	Quantity

3. WORK REQUESTED

Processing

- ☐ Process only
☒ Process & make print
☐ Process & make contact print
☐ Slides to be processed
☐ Slides to be duplicated
☐ _____
☐ _____

Prints To Be Made.

- (From 135, 126, and 110)
☒ 3 1/2 x 5 ☐ 5x7
 _____ # prints from each frame
☐ Color ☐ B&W
 (From 120 and 4x5)
☐ 4x5 ☐ 8x10
 _____ # prints from each frame
☐ Color ☐ B&W

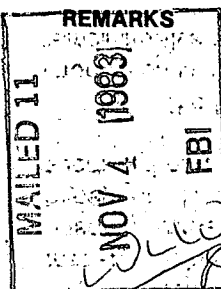
Prints To Be Made

- (Prints from slides)
☐ 3 1/2 x 5 ☐ 5x7
☐ 8x10

Custom Prints

- (From any size negative or slide)
 Quantity _____
 Size _____
☐ Color ☐ B&W

4. PROCESSING CENTER



SPECIAL INSTRUCTIONS

- ☒ Mail Room: Show shipment date and registry number.
☐ Shipping Room: Show shipment date; bill of lading number, initial invoice; invoice to be placed in administrative file.

ENC.

MAIL ROOM ☒

NOT RECORDED

NOV 16 1983

44-600 11/28/87 POC
C. H. [unclear]

INSTRUCTIONS

GENERAL

All photographic work must be submitted under the substantive case caption when it relates to an investigative matter. Include FBIHQ file number when available. All other photographic processing forms (including FD-482) are obsolete and should not be used. The FD-523 is to be utilized for all photographic processing work forwarded to FBIHQ except employee identification and/or credential cards. Requests for official FBI identification and credential cards must be submitted on form FD-464, Attention: Property Procurement and Management Section.

The FD-523 may be filled out in legible hand printing or typing so that all six pages can be read. The following information is set forth to assist in properly filling out this form. Remove third sheet only (yellow field copy) and submit the remaining five pages.

1. ENCLOSED PHOTOGRAPHIC WORK RELATES TO:

All photographic work submitted should be checked as Current Investigation, Mug Shot, or OTHER in appropriate block. If "OTHER" is checked a short description of what it is should be stated under item #4 (Remarks).

2. ENCLOSURE(S):

Film To Be Processed - Check appropriate column for Color, Black and White film, alongside the size of the film. Also, indicate the number of sheets or rolls or cassettes in the quantity column. Slides refer to **EXTACHROME ONLY. DO NOT SEND KODACHROME.**

Movie Film Or Microfilm - Check appropriate block for size and quantity. **DO NOT SEND COLOR MOVIE FILM.**

Negatives To Be Printed - Check appropriate block for size, Color or Black and White and quantity submitted. If 135mm negatives are to be printed, indicate by frame number, do not cut up into individual frames. The same applies to any roll film.

Other - Enclosures to be copied e.g. photographs, documents, objects, etc.

3. WORK REQUESTED:

Processing - Only means to develop the film and **NO COPIES or PRINTS** e.g. microfilm.

Process and Print - Means to develop film and make one or more prints.

Slides To Be Processed - Means Ektachrome film to be developed and slides mounted.

Slides To Be Duplicated - Means process slide film and make one or more duplicates of each slide.

Prints To Be Made - From 135, 126 and 110 film, check size 3½x5 or 5x7. These are the only size prints available from our machine printers. Check Color or Black and White.

From 120 and 4x5 Film - Check size 4x5 or 8x10 and indicate Color or Black and White. These are the only size prints available from our machine printers.

Slides - Prints made directly from slides. Machine prints can be made in sizes 3½x5, 5x7 and 8x10.

Custom Prints - From any size negative or slide; indicate quantity and size of prints either Color or Black and White. Custom prints are available in various sizes but require extensive special handling. This type of printing is done on special request and proper justification **must** be furnished under item #4 (Remarks).

4. REMARKS:

Justification for custom prints. Any special instruction or short description of "other" photographic work in item #1 of this form.

No Personal Work should be submitted for processing. Any requests which may be misinterpreted as personal in nature should be explained and approval granted by the Special Agent in Charge or his/her designee.

AIRTEL

To: Director, FBI
(Attn: Photographic Processing Unit, Rm. 1B903)

Date: 10/26/83

From: SAC, OMAHA (196A-922)

Subject: MAIN FRAME
FBW: CONSPIRACY
OO: ALEXANDRIA

FBIHQ USE ONLY

Received	Initials <i>CS</i>	Date <i>11/1/83</i>
Developed	<i>CS</i>	<i>11/2/83</i>
Printed		
Enlargements	<i>2x7</i>	<i>11-3-83</i> (36)
Slides		
Copied		
Other		

1. ENCLOSED PHOTOGRAPHIC WORK RELATES TO:

☒ Current Investigation ☐ Mug Shot ☐ Other

2. ENCLOSURE(S)

Film To Be Processed

Size	Color	B&W	Quantity
4x5			
135	x		1
126			
120			
Slides			

Movie Film or Microfilm

Size	Color	B&W	Quantity
16mm			
35mm			
8(super)			
70mm			
AHU			

Negatives To Be Printed

Size	Color	B&W	Quantity
8x10			
4x5			
135			
120			
126			
220			
110			

Other

Item	Quantity

3. WORK REQUESTED

Processing

- ☐ Process only
☒ Process & make print
☐ Process & make contact print
☐ Slides to be processed
☐ Slides to be duplicated
☐ _____
☐ _____

Prints To Be Made

- (From 135, 126, and 110)
☒ 3½x5 ☐ 5x7
 _____ # prints from each frame
☐ Color ☐ B&W
 (From 120 and 4x5)
☒ 4x5 ☐ 8x10
 _____ # prints from each frame
☐ Color ☐ B&W

Prints To Be Made

- (Prints from slides)
☐ 3½x5
☐ 5x7
☐ 8x10

Custom Prints

- (From any size negative or slide)
 Quantity _____
 Size _____
☐ Color ☐ B&W

Film rec'd & ret'd with *print*
 to *OM* *pmg* NOV 4 1983
 Init/date

58710

4. REMARKS

(include trial date or other
mandatory deadline and any
other specific instructions)

1cc retained in Rm 1B903
 1 letter each in 1B903
 Ack: SPS, LAB
 Work Completed:

Film processed: _____

Prints made: _____

Slides made: _____

Init/date: *pmg* NOV 4 1983

NOT RECORDED

12 OCT 31 1983

11-16

ENCLOSURE

17 DEC 2 1983

AX0006 302 0245Z

RR HQ

DE AX

P 028 2000Z OCT 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR ROUTINE

RECEIVED
TELETYPE UNIT

29 OCT 83 03 38z

FEDERAL BUREAU
OF INVESTIGATION

Exec AD-Adm.	
Exec AD-Inv.	
Exec AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Serv.	
Training	
Telephone Rm.	
Director's Sec'y	

BT
UNCLAS

MAIN FRAME; FBW; CONSPIRACY; (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, OCTOBER 18, 1983.

FOR INFORMATION OF THE BUREAU, SA [REDACTED] (ALEXANDRIA), HAS CONTACTED TWO DIFFERENT FIRMS IN ORDER TO GET ESTIMATES ON THE COST OF RETRIEVING INFORMATION FROM FLOPPY DISKS RETRIEVED IN SEARCHES. [REDACTED] HAS OFFERED TO PERFORM SERVICES AT A RATE OF \$75 PER HOUR. HE STATED, HOWEVER, THAT HE WOULD ONLY BE AVAILABLE AT NIGHTS AND ON WEEKENDS TO PERFORM THIS TASK.

SA [REDACTED] HAS ALSO CONTACTED MICRO RESEARCH, INC., AND THAT FIRM HAS OFFERED THE SERVICES OF ONE OF ITS TECHNICIANS AT THE RATE OF \$45 PER HOUR. [REDACTED] OF MICRO RESEARCH, INC., ALSO INDICATED THAT HE COULD PROVIDE HIS TECHNICIAN ON AN AS-NEED BASIS TO DO THE WORK AT THE U.S. ATTORNEY'S OFFICE IN

SEE CID ADDENDUM PG. 3

b6
b7C

b6
b7C

23 NOV 10 1983

b6
b7C

PAGE TWO AX 196A-633 UNCLAS

ALEXANDRIA, ELIMINATING ANY DIFFICULTIES CONCERNING CHAIN OF CUSTODY OF THE EVIDENCE.

ALEXANDRIA IS STILL ESTIMATING TWO TO THREE WORK WEEKS TIME NECESSARY TO OBTAIN THE NECESSARY INFORMATION. AT THE RATE OF \$45 PER HOUR, THIS WOULD EQUATE TO \$360 PER DAY, OR FOR THREE FULL WEEKS WORK THIS WOULD COME TO APPROXIMATELY \$5,400. THERE WILL BE SOME INCIDENTAL EXPENSES, FOR EXAMPLE, PURCHASING OF COMPUTER PRINTOUT PAPER, ETC.

AS ALEXANDRIA HAS ALREADY RECEIVED APPROXIMATELY 30 BOXES OF EVIDENCE FROM OTHER OFFICES, IT IS REQUESTED THAT THE BUREAU GIVE VERBAL AUTHORIZATION FOR MICRO RESEARCH, TO BEGIN THE ANALYSIS ON MONDAY, OCTOBER 31, 1983. [REDACTED] MICRO RESEARCH, INC., IS FORWARDING A WRITTEN STATEMENT TO THE ALEXANDRIA OFFICE INDICATING THAT HE WILL PROVIDE ONE TECHNICIAN ON AN HOURLY BASIS AT THE RATE OF \$45 PER HOUR TO PERFORM THE NECESSARY TASKS. TOTAL EXPENDITURE WILL NOT EXCEED \$ [REDACTED] AND IN ACCORDANCE WITH CONTRACT REVIEW UNIT, A BID AND CONTRACT PROCEDURE IS THEREFORE NOT REQUIRED.

b6
b7C

b7E

BT

Teletype from Alexandria (196A-633)
Dated 10-29-83
RE: MAIN FRAME

ADDENDUM: CRIMINAL INVESTIGATIVE DIVISION (CID) KD:sm/M 11/1/83

The Financial Crimes Unit, White Collar Crimes Section, has reviewed the request of the SAC, AX that authority be granted to expend funds not to exceed \$ [] from the Field Support Account. These funds will be utilized to pay for a private consultant to review 200 - 300 floppy discs which were seized during the execution of numerous search warrants in various areas of the United States. Examination of the discs is necessary for evidentiary purposes.

b7E

Analysis of these discs requires a person familiar with the various types of computer equipment who can retrieve information found on the discs, obtain print-outs, and interpret any coded or programmed material on the discs. The Technical Services Division (TSD) advises they only have one employee with sufficient expertise and because of scheduling conflicts, he would be unable to devote two to three weeks full time to the task. The Contract Review Unit advises no contract need be negotiated if total fees are less than \$ [].

b7E

AX has solicited informal estimates from two qualified area consultants. The lowest estimate which also takes into consideration chain of custody of the evidence was for \$45/hour. It is estimated the computer technician will require two to three weeks ([]) to complete this task. (It should be noted that this consultant group, Micro Research, Inc., was recommended by TSD who has utilized their services in the past).

b7E

The Financial Crimes Unit, White Collar Crimes Section, recommends that AX be given authority to expend necessary funds, not to exceed \$ [], in order to have the necessary analysis conducted.

b7E

APPROVED: *KD* *D* *NIA*

Director _____	Adm. Servs. _____	Laboratory _____
Exec. AD-Adm. _____	Crim. Inv. <i>only</i> _____	Legal Coun. _____
Exec. AD-Inv. _____	Ident. _____	Off. of Cong. & Public Affs. _____
Exec. AD-LES _____	Inspection _____	Rec. Mgmt. _____
	Intell. _____	Tech. Servs. _____
		Training _____

INFORMATIVE NOTE

Date October 14, 1983

Re: MAINFRAME; FBW; CONSPIRACY; OO: ALEXANDRIA

It should be noted this code named case refers to an AX investigation concerning unauthorized access into the GTE computerized Telemail system.

By attached teletype, Alexandria advises that on 10/12/83, 12 simultaneous search warrants were executed by the FBI in 10 cities throughout the U.S. Seized during execution of the search warrants were home computers, modems, and numerous documents constituting evidence of computer "hacking". Three more search warrants are expected to be executed in the near future based on information obtained from the first 12 search warrant executions.

For background information, this case was initiated when GTE learned that unauthorized intruders were accessing their Telemail system and destroying records and disrupting services. Three organized groups of computer "hackers" were eventually identified and messages indicated these "hackers" had penetrated numerous company and agency computer systems. Further investigation resulted in identifying the true names and location of 12 of these "hackers" and thereafter sufficient evidence to support the search warrants was collected.

Enclosure

KD: ~~all~~ (11)

1 - Mr. Colwell
1 - Mr. Otto
1 - Mr. Young
1 - Mr. Revell
1 -

1 -
1 -
1 -
1 -
1 - Night Duty Desk

b6
b7C

SAC, AX advises no press release is anticipated regarding this matter at this time since some of the "hackers" are juveniles. However, it is possible comments made by GTE could spark the interest of the news media.

APPROVED *W*

Director *W*

Exec. AD-Adm. _____

Exec. AD-Inv. _____

Exec. AD-LES _____

Adm. Servs. _____

Crim. Inv. *W*

Ident. _____

Inspection _____

Intell. _____

Laboratory _____

Legal Coun. _____

Off. of Cong. _____

& Public Affs. _____

Rec. Mgnt. _____

Tech. Servs. _____

Training _____

AX0007 2861533Z

OO HQ AL BU DE LA OC

AX0007 2861533Z

PP HQ AL BU DE LA NY OC OM PX SD

DE AX

00131515Z OCT 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR IMMEDIATE

ALBANY ROUTINE

BUFFALO ROUTINE

DETROIT ROUTINE

LOS ANGELES ROUTINE

NEW YORK IMMEDIATE

OKLAHOMA CITY ROUTINE

OMAHA ROUTINE

PHOENIX ROUTINE

SAN DIEGO IMMEDIATE

BT

UNCLAS

MAIN FRAME; FBW; CONSPIRACY; (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, OCTOBER 6, 1983.

FOR INFORMATION OF THE BUREAU AND ALL RECEIVING OFFICES, ON
OCTOBER 12, 1983, BUREAU AGENTS EXECUTED SEARCH WARRANTS IN THE

OCT 18 1983

86 DEC

6-40

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Servs.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Rec. Mgnt.	
Tech. Servs.	
Training	
Off. of Cong. & Public Affs.	
Telephone Rm.	
Director's Sec'y	

b6
b7c

196-4713-12

PAGE TWO AX 196A-633 UNCLAS

FOLLOWING CITIES: ALBANY, ITHACA, ROCHESTER, AND SCARSDALE, NEW YORK; DETROIT, MICHIGAN; OMAHA, NEBRASKA; NORMAN, OKLAHOMA; TUCSON, ARIZONA; BEVERLY HILLS, CALIFORNIA, AND IRVINE, CALIFORNIA (THREE). ALL SEARCHES RECOVERED HOME COMPUTERS, MODEMS, AND EVIDENCE OF "HACKING."

REFERENCED TELETYPE NOTES THAT SAC, ALEXANDRIA, IS NOT MAKING A PRESS RELEASE SINCE SOME SUBJECTS ARE JUVENILES. REFERENCED TELETYPE SHOULD HAVE CONTINUED THAT USA, EDVA, IS HAVING DIFFICULTY ESTABLISHING PROSECUTIVE INTEREST IN CHARGING JUVENILES. CONSEQUENTLY, LITTLE PURPOSE WOULD BE SERVED IN HIGHLIGHTING JUVENILE PARTICIPATION IN THIS CASE AT THIS TIME AND COULD PLACE US IN THE UNNECESSARY POSITION OF HIGHLIGHTING CRUCIAL EVIDENCE WHICH WE EXPECT SEARCHES TO PRODUCE.

FOR INFORMATION OF SAN DIEGO, DURING SEARCH IN [REDACTED]
[REDACTED], SUBJECT [REDACTED], PRODUCED THE NAME [REDACTED]
AKA, [REDACTED]
TELEPHONE NUMBER [REDACTED] CUSTOMER NAME AND ADDRESS FOR
THIS PHONE NUMBER IS [REDACTED] SAME ADDRESS. THERE IS
ALSO A SECOND LINE AT THAT ADDRESS, [REDACTED] ALEXANDRIA
MADE A PRETEXT PHONE CALL TO THAT NUMBER AND [REDACTED]

b6
b7c

PAGE THREE AX 196A-633 UNCLAS

ANSWERED THE PHONE. ALEXANDRIA THEREFORE TRANSMITTING AN
AFFADAVIT TO SUPPORT A SEARCH WARRANT TO SAN DIEGO BY FACSIMILE,
ATTENTION: SUPERVISOR [REDACTED]

b6
b7C

FOR INFORMATION OF NEW YORK, TRAP AND TRACE INFORMATION
OBTAINED FROM [REDACTED]

[REDACTED] INDICATED THAT [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]. TRAP AND TRACE HAS ALSO SHOWED [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

b6
b7C
b7E

[REDACTED] AFFADAVIT FOR SEARCH WARRANT FOR BOTH
LOCATIONS WAS FACSIMILED TO USA, EDNY, AND PRESENTED TO
MAGISTRATE ON OCTOBER 12, 1983.

LEADS: SAN DIEGO, AT SAN DIEGO, CALIFORNIA. 1) WILL
PRESENT AFFADAVIT TO AUSA AND MAGISTRATE AND EXECUTE SEARCH
WARRANT AT [REDACTED], IMMEDIATELY.

b6
b7C

2) EVIDENCE SHOULD BE HANDLED AS SET OUT IN REFERENCED
TELETYPE.

PAGE FOUR AX 196A-633 UNCLAS

NEW YORK, AT STONEYBROOK AND PORT JEFFERSON, NEW YORK. 1)
WILL EXECUTE SEARCH WARRANT AT [REDACTED]
AND WUSB RADIO STATION, ROOM 340, BUILDING 37, STATE UNIVERSITY
OF NEW YORK AT STONEYBROOK IMMEDIATELY. 2) EVIDENCE SHOULD BE
HANDLED AS SET OUT IN REFERENCED TELETYPE.

b6
b7C

BOTH NEW YORK AND SAN DIEGO ARE REQUESTED TO HAVE MAGISTRATE
SEAL AFFIDAVIT TO PROTECT IDENTITY OF COOPERATING SUBJECT AND/OR
INVESTIGATIVE TECHNIQUES.

BT

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 10/24/83

TO: DIRECTOR, FBI
 ATTN: ENGINEERING SECTION, TECHNICAL SERVICES DIVISION

FROM: SAC, DETROIT (28E-847) (P) (C-6)

CHANGED IO:

MAINFRAME;
 FBW
 (OO: ALEXANDRIA)

Title changed to reflect conversion from [redacted] to Mainframe and change of Office of Origin from Detroit to Alexandria.

Re Detroit airtel dated 10/19/83.

An individual within the [redacted] residence, using the codename [redacted], is accessing the GTE Telemail network, commandeering corporate accounts and denying access to those accounts by legitimate users. In order to obtain further evidence of the illegal and unauthorized access to Telemail and other mainframe computers a request has been made and a court order extension granted for a pen registers to be placed on the telephone lines of [redacted]. In compliance with M 10G section 10-10.3 the following information is provided:

A. [redacted]

B. [redacted]

[redacted]

② - Bureau
 3 - Detroit
 (1 - 66-5343)
 MAH:lam
 (5)

1 NOV 2 1983

Approved: [signature]

Transmitted

(Number)

(Time)

Per [signature]

DE 28E-847

C. [REDACTED]

D. [REDACTED]

E. [REDACTED]

F. [REDACTED]
[REDACTED]
[REDACTED]

b7E

b6
b7C
b7E

DE003 2981930

RR HQ

DE DE

R 251930Z OCT 83

FM DETROIT (28E-847) (C-6)

TO DIRECTOR (ROUTINE)

BT

UNCLAS E F T O

MAINFRAME; FBW; CONSPIRACY

IT IS REQUESTED THAT THE FIELD SERVICE ACCOUNT (FSA),
DETROIT, BE AUTHORIZED FOR AN ADDITIONAL \$ [REDACTED] IN
CASE FUNDS FOR THE ABOVE-CAPTIONED MATTER. THE ORIGINAL
\$ [REDACTED] IN CASE FUNDS HAS BEEN EXHAUSTED AND ADDITIONAL
FUNDS ARE NECESSARY TO CARRY THE INVESTIGATION TO ITS
LOGICAL AND PROSECUTIVE CONCLUSION. THE FUNDS THUS FAR
HAVE BEEN USED TO PURCHASE COMPUTER RELATED EXPENSE ITEMS
SUCH AS PAPER, RIBBONS, SMALL ELECTRONIC COMPONENTS, AND
A CONSIDERABLE SUM PAYING LONG DISTANCE TELEPHONE EXPENSES.

THE THRUST OF THE INVESTIGATION IS BEING FOCUSED ON
LOOSELY ORGANIZED EFFORTS BY INDIVIDUALS, NATIONWIDE, TO
GAIN ACCESS INTO GOVERNMENT AND CORPORATE COMPUTERS THROUGH

0/20/83
Authority granted for
add'l expenditure up to [REDACTED]
under case fund authority.

57 DEC 7 1983

Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	DB RRM
Ident.	
Insp.	
Intell.	
Laboratory	
Legal Coun.	
Off. of Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Serv.	
Training	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b7E

b7E

b6
b7C

196-4713-14
17 NOV 9 1983

PAGE TWO DE 28E-847 UNCLAS E F T O

VARIOUS DATA NETWORKS, I.E. TELENET AND ARPANET.

INFORMATION OBTAINED BY THESE INDIVIDUALS IF SHARED BY POSTING MESSAGES ON UNDERGROUND COMPUTER BULLETIN BOARD SYSTEMS (CBBS). THE MONITORING OF THESE CBBS HAS PROVIDED VAST AMOUNTS OF INTELLIGENCE AND INVESTIGATIVE INFORMATION WHICH LEAD TO THE IDENTIFYING OF SIX OF THE SUBJECTS IN THE ABOVE-CAPTIONED INVESTIGATION.

THE FIRST PHASE OF THIS INVESTIGATION WAS FOCUSED ON THE UNAUTHORIZED USERS PENETRATING THE GTE TELEMAIL COMPUTER SYSTEM, HOWEVER, OTHER COMPUTER SYSTEMS ARE BEING COMPROMISED BY THE SAME INDIVIDUALS AND OTHERS YET UNIDENTIFIED. IT IS IMPERATIVE THAT THE MONITORING CONTINUE, NOT ONLY TO HAVE A CONSTANT FLOW OF INFORMATION, BUT TO INSURE OUR CREDIBILITY AS A PARTICIPANT IN THE INFORMATION CHAIN IN THE UNDERGROUND CBBS COMMUNITY.

THE ADDITIONAL FUNDS THAT ARE BEING REQUESTED WOULD BE USED TO COVER EXPENSES AS THEY RELATE TO THE MONITORING OF THOSE BOARDS; TELEPHONE BILLS, COMPUTER PAPER, PRINTER RIBBONS, AND RELATED EXPENSE ITEMS.

BT

007

0
A
P

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE	OF		
DATE	OCTOBER 28, 1983	CLASSIFICATION	UNCLAS
PRECEDENCE	PRIORITY		
#F007TPP DETDE HQ H0007 #HTYUWP 311530Z OCT 83			
START HERE			
FM	FM DIRECTOR, FBI		
TO	TO FBI DETROIT {SQUAD C-6} PRIORITY		
	BT		
14	UNCLAS		
12	MAINFRAME; FBW; CONSPIRACY; 00: AX		
	RE DE TELETYPE DATED 10/25/83.		
10	APPROPRIATE AUTHORIZATION IS GRANTED FOR DE TO EXPEND		
	UP TO \$ [] MORE UNDER CASE FUND AUTHORITY AS REQUESTED IN		
	REFERENCED TELETYPE.		
8	BT		
6			
4			
2			
DO NOT TYPE MESSAGE BELOW THIS LINE			
APPROVED BY	DRAFTED BY	DATE	ROOM
HNH/KD	KD:SMJ/M-33	10-28-83	3841
			TELE EXT. 5594

1 - []
1 - FOF

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS CENTER

18:37/RH
OCT 31 1983

DO NOT FILE WITHOUT COMMUNICATIONS STAMP

DO NOT TYPE PAST THIS LINE

b7E

b6
b7C

23 NOV 9 1983

ED SERVICES COMMITTEE

HOUSE ADMINISTRATION
COMMITTEE

REPUBLICAN STUDY
COMMITTEE

REPUBLICAN POLICY
COMMITTEE

EXECUTIVE COMMITTEE
NATIONAL REPUBLICAN
CONGRESSIONAL COMMITTEE

Congress of the United States

House of Representatives

ROBERT E. BADHAM
40TH DISTRICT, CALIFORNIA

WASHINGTON OFFICE:
2438 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-5611

DISTRICT OFFICE:
180 NEWPORT CENTER DRIVE
SUITE 240
NEWPORT BEACH, CALIFORNIA 92660
(714) 644-4040

FEDERAL GOVERNMENT

November 1, 1983

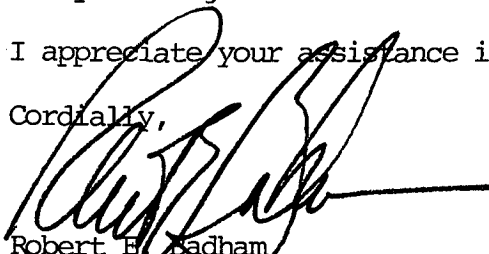
[Redacted]
Federal Bureau of Investigation
Office of Congressional Affairs, Room 7240
10th and Pennsylvania Avenues, N.W.
Washington, D.C. 20535

Dear [Redacted]:

Enclosed is a copy of a letter I have received from a number of my constituents with regard to the manner in which the FBI recovered computer equipment which was allegedly used in tapping into the commercial Telemail system run by GTE. I would appreciate your review of and comments on the enclosed correspondence. Please send your response to my Washington office to the attention of [Redacted].

I appreciate your assistance in this matter.

Cordially,


Robert E. Badham
Member of Congress

REB:kd
enclosure

b6
b7C

b6
b7C

196 - 4713 - 15X

10 DEC 15 1983

ENCLOSURE

64 FEB 10 1984

ACK
11-23-83
ESH:SS

Dear Robert Badham,

As a resident of Irvine, I am deeply concerned with the tactics the FBI used in our city a few days ago. I feel the local newspaper "The Register" has hit the nail on the head. I have enclosed a copy of the article for you to read. The laws were not made to harass people, but to protect them.

You as an elected official are put into office by the people in essence you are our voice. I would like you to look into this incident and see what can be done about the FBI. Please find out why they acted in the manner described. If this is allowed to pass by without an outcry from us, they will feel they can continue to confiscate anything they please in the future. I am looking forward to hearing from you on this matter and seeing what action you will take.

Thank you in advance for your attention in this matter.

Sincerely,

196-4713-15X

ENCLOSURE

The Register

A division of Freedom Newspapers, Inc.

"There is no security on this earth; there is only opportunity."

Gen. Douglas MacArthur

R. David Threshie Jr., publisher
K. E. Grubbs Jr., editorial pages editor
N. Christian Anderson, editor

R.C. Hoiles, co-publisher 1935-1970
C.H. Hoiles, co-publisher 1935-1979
Harry Hoiles, co-publisher 1975-1979

FBI storm tactics in Irvine

A few weeks ago the Woodbridge area in Irvine was leafletted by local police. Residents were warned to be careful about opening the door to strangers. The purpose, everyone thought, was a rash of rapes in the area. In light of subsequent developments, does it almost seem like an advance warning that the FBI was planning a dawn raid on teenage computer hackers? No, it couldn't be.

The way the FBI conducted those raids, even the fact that raids were conducted at all, raises disturbing questions. You might not be surprised at such activities in Nazi Germany or the Soviet Union. But in Irvine?

Based on information released to date, the four Irvine teen-agers were among perhaps a dozen in different parts of the country who may have tapped into the commercial Telemail system run by GTE, using it to send messages without paying the fees commercial clients pay.

If that's the extent of their wrongdoing, some law enforcement officials could have talked to the boys and their parents, explaining what they had done and informing them they would receive bills for their unauthorized use.

Perhaps something more serious is afoot. Perhaps these boys have, inadvertently or not, tapped into something else. Perhaps federal authorities really want to get at the mysterious San Diego fellow they know as The Cracker, who reportedly told the Irvine boys how to get into the Telemail system and may be into heavier things. If so, the low-key approach, seeking cooperation, could well have been the best way to do it.

Instead, the FBI conducted a heavy-handed, heavy-footed raid at dawn. When one family didn't answer the door (at 6:15 in the morning!), an agent actually broke into a boy's bedroom. FBI agents seized computers and com-

puter equipment, much of it expensive. There's doubt now about when (if ever!) the boys will get their equipment back.

Were these boys running a murder ring or something to justify such tactics? Hardly. To date they haven't been arrested or even charged with a crime. Yet the FBI has stolen (yes, that's the proper word) their equipment and may or may not give it back.


This should be a real shocker to anybody who believes the United States is, or ought to be, a free country.

It's difficult to see why the computer terminals were seized. In and of themselves, they can do little to establish what the boys did with them. If the FBI needed to establish that the boys had terminals, they could have made out a sworn statement to that effect and had the boys and their parents sign them.

Furthermore, if the boys really were up to something devious, taking their computers is a small deterrent. Access to computer terminals is relatively easy. Is the FBI prepared to confiscate everyone's home computer?

It is a sad day when law enforcement can walk into someone's home and seize property for an undetermined amount of time when a case is in its initial stages and indictments may not be sought for months. Yet some attorneys believe that if no indictment is issued, the parents may have to sue the government to get their boys' property back!

The FBI should put up or shut up. Either charge these boys with a crime and start prosecution immediately, or give them back their property. If no indictment is sought, the computers should be accompanied with a contrite apology and compensatory damages. Those responsible for this outrage should be punished or fired.

Otherwise, the FBI is operating on the same moral level as a burglar. 

196-4713-15X

ENCLOSURE

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/14/83

TO: DIRECTOR, FBI
 FROM: SAC, ALEXANDRIA (196A-633) (P)

MAIN FRAME

FRAUD BY WIRE;
 CONSPIRACY
 (OO:AX)

[redacted] Et Al;
 FRAUD BY WIRE; ITSP
 (OO:MI)

b6
 b7c

Re Director's letter to SAC, Alexandria, 10/27/83.

Enclosed for the Bureau are two packets containing copies of evidence obtained in the "Main Frame" investigation.

Packet number one contains copies of printed and hand-written material seized during the search of the residence located at [redacted]. This is the residence of [redacted], aka [redacted] is [redacted] years-old and quotes in a recent Detroit newspaper indicated he claims to have penetrated Arpanet. The printed material in packet number one is apparently a listing of every Arpanet and Milnet host with the "connect address" or host number for each. The hand-written material also contains host names, connect addresses and also includes some user names and passwords. There is reason to believe that this information was shared freely with other hackers.

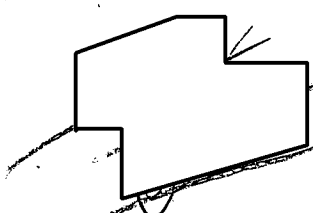
b6
 b7c

- 2-Bureau (Enc. 2)
 2-Albany (Info)
 2-Buffalo (Info)
 2-Detroit (Info)
 2-Los Angeles (Info)
 2-New York (Info)
 2-Oklahoma City (Info)
 2-Omaha (Info)
 2-Phoenix (Info)
 2-San Diego (Info)
 2-Alexandria
 GDF:gaj
 (22)

ENCLOSURE

ENC. BEHIND FILE

176-4713-16



1 NOV 17 1983

b6
 b7c

Approved: [Signature]

Transmitted

(Number)

(Time)

Per [Signature]

UNRECORDED COPIES FILED IN 196A-633-4578

AX 196A-633

Packet number two contains copies of messages left on teletype by hackers known as [redacted] and [redacted] (aliases). [redacted] has been tentatively identified as [redacted] [redacted]-years-old). True identity of [redacted] is unknown. Information contained in packet number two was apparently obtained from some other sources (one being the Defense Data Network Newsletter) and then entered into teletype to be shared with other hackers.

b6
b7C

For information of the Bureau, all offices conducting searches in the Main Frame case (Albany, Buffalo, Detroit, Los Angeles, New York, Oklahoma City, Omaha, Phoenix and San Diego) were requested to forward all evidence to Alexandria for analysis, therefore this response may constitute completion of lead in referenced letter for those offices.

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

068

PAGE DATE	1 OF 2 11/4/83	CLASSIFICATION UNCLAS	PRECEDENCE PRIORITY
--------------	-------------------	--------------------------	------------------------

*F068TTP AXIDE HQ H0068 *HTYUUP 041713Z NOV 83

START HERE

FM DIRECTOR FBI

TO FBI ALEXANDRIA {196A-633} PRIORITY

BT

UNCLAS

MAIN FRAME; FBW; CONSPIRACY; 00: ALEXANDRIA

REAXTEL 10/28/83 AND BUTELCAL TO ALEXANDRIA 11/3/83.

APPROPRIATE FBIHQ AUTHORITY HAS BEEN GRANTED FOR ALEXANDRIA
TO OBTAIN THE SERVICES OF A COMPUTER TECHNICIAN TO ANALYZE
FLOPPY DISCS SEIZED IN CAPTIONED MATTER.

ALEXANDRIA SHOULD INSURE THAT APPROPRIATE CHAIN OF CUSTODY
OF ALL EVIDENCE IS MAINTAINED AND THAT THE TOTAL COST OF
SERVICES DOES NOT EXCEED \$ [REDACTED]

IF ACCEPTABLE TO THE COMPUTER TECHNICIAN, WHEN HIS/HER
SERVICES ARE COMPLETED, AN ITEMIZED BILL SHOULD BE PROVIDED TO
ALEXANDRIA. ALEXANDRIA CAN THEN VERIFY THE ACCURACY OF THE
CHARGES AND FORWARD THE BILL WITH A FIELD PURCHASE ORDER {FPO}
TO FBIHQ WHO WILL THEN ISSUE A CHECK FOR THE SERVICES RENDERED.

DO NOT TYPE MESSAGE BELOW THIS LINE

APPROVED BY H.N.H/KD	DRAFTED BY KD: [REDACTED]	DATE 11/4/83	ROOM 3841	TELE EXT. 5660
-------------------------	------------------------------	-----------------	--------------	-------------------

1 - [REDACTED]
1 - FOF

DO NOT TYPE PAST THIS LINE

b7E

b6
b7C

64 DEC 7 1983

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS CENTER

NOV 18 1983

DO NOT FILE WITHOUT COMMUNICATIONS STAMP

FBI/DOJ

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE

2

CONTINUATION SHEET

START HERE

BT

20

18

16

14

12

10

8

6

4

2

DO NOT TYPE PAST THIS LINE

DO NOT TYPE MESSAGE BELOW THIS LINE

Routing Slip
FD-4 (Rev. 4-20-81)

Date 11/10/83

To: ☐ Director
Att.: _____

- ☐ SAC
☐ ASAC
☒ Supv.
☐ Agent
☐ SSS
☐ Rotor # _____
☐ Steno
☐ Typist
☐ M
Room _____

FILE # AX 196A-633
Title "MAIN FRAME" b6
b7C

RE: _____

- | | | |
|---|--|--|
| <input type="checkbox"/> Acknowledge | <input checked="" type="checkbox"/> For information | <input type="checkbox"/> Return assignment card |
| <input type="checkbox"/> Assign <input type="checkbox"/> Reassign | <input type="checkbox"/> Handle | <input type="checkbox"/> Return file <input type="checkbox"/> serial |
| <input type="checkbox"/> Bring file | <input type="checkbox"/> Initial & return | |
| <input type="checkbox"/> Call me | <input type="checkbox"/> Leads need attention | <input type="checkbox"/> Return with action taken |
| <input type="checkbox"/> Correct | <input type="checkbox"/> Open case | <input type="checkbox"/> Return with explanation |
| <input type="checkbox"/> Deadline _____ | <input type="checkbox"/> Prepare lead cards | <input type="checkbox"/> Search and return |
| <input type="checkbox"/> Delinquent | <input type="checkbox"/> Prepare tickler | <input type="checkbox"/> See me |
| <input type="checkbox"/> Discontinue | <input type="checkbox"/> Recharge file <input type="checkbox"/> serial | <input type="checkbox"/> Type |
| <input type="checkbox"/> Expedite | | |
| <input type="checkbox"/> File | <input type="checkbox"/> Send to _____ | |



— THIS LTR includes

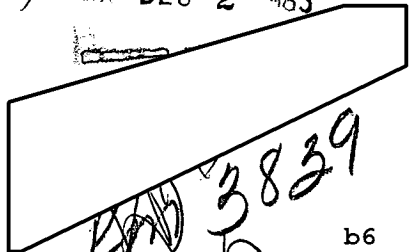
NOT RECORDED

Limitation on total b6
DEC 21 1983

ENCLOSURE

NOT RECORDED

DEC 2 1983



b6
b7C

SAC



See reverse side

60 DEC 5 1983

Office



November 8, 1983

[redacted]
Federal Bureau of Investigation
300 No. Lee Street
Alexandria, VA 22314

Re: Computer Project

Dear [redacted]:

Micro Research will be pleased to help you in evaluating the computer materials you have in your possession. We will do it on-site at your offices, with the FBI providing the necessary hardware, software, and other required materials.

Point of contact will be [redacted] at our office. The billing rate will be \$45/hour to and from our office in Falls Church. Billing can be in any format acceptable to you. Cost of the project will not exceed \$ [redacted].

We look forward to helping you in this endeavor.

Sincerely,

Micro Research, Inc.



CWG:cf

a-fbi-ltr

cc: [redacted]

b6
b7C

b6
b7C
b7E

b6
b7C

*Buf file titled: "MAWFRAME"
FBW; Conspiracy
OO AX*

196-4713-

ENCLOSURE

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ Airtel _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/16/83

Date _____

TO: Director, FBI
 FROM: PVO/mj SAC, Albany (196A-677) (P)
 SUBJECT: ① MAINFRAME
 FBW; CONSPIRACY
 (OO: Albany)

Re Alexandria teletype to Bureau dated 10/6/83.

Enclosed for Alexandria are three copies each of three FD-302s reflecting investigation within the Albany Division.

Albany will forward seized evidence from searches conducted within Albany Division on 10/12/83 under separate cover per instructions set forth in referenced Alexandria teletype.

2 - Bureau
 2 - Alexandria - Encs. (9)
 2 - Albany
 RAH/ed/smf
 (6)

CCIT

196-4713-18

NOV 23 1983

SA

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

Memorandum



To : FBI Laboratory Division
Evidence Control Center
Room 2422 TL 241

JAN 8 4 ENTD

Date 11/18/83

b6
b7C

From : SA [redacted] & Symbol

Spec - Proj MG
0774

Subject : EQUUS ZED

Main Frame

TESTIMONY

Bufile # 196-4713
(circle one) Court Grand Jury Other - _____ Dates _____
Supporting: (circle one) Bureau Federal Local Workdays _____
City & State _____ Category 1 2 3 4
Testified? ☐ Yes ☐ No If No, then circle Reason Below for Appearing in Court but not Testifying.
01. Guilty Plea 03. Case Dismissed 05. Testimony not Needed
02. Case Continued 04. Stipulation 06. Mistrial
07. Other _____

Results of Trial _____ Judge _____
Prosecuting Attorney _____ Defense Attorney _____

OTHER COMMITMENTS

Bufile # 196-4713 City & State ALBUQUERQUE
Agency FBI Dates 11/2-7/83
(circle one) Bureau Federal Local Workdays 6

Purpose: (circle one)
01. Lecture/Training (Others) 06. Research/Data Acquisition
01A. Tours, Training, etc., at FBIHQ 07. _____
02. Training (Self) 08. Investigative Support
03. Speech 09. Communication Support
04. Pretrial Conference 10. Conference/Meeting
05. Field Examination of Evidence 11. Deposition

196-4713 -
Details/Unusual or Interesting Circumstances

64 MAR 5 1984

NOT RECORDED
FEB 28

AIRTEL

Date:

18900

OCT 27 1983

Subject:

SAC Buffalo (196A-529)

MAINFRAME
FBW

FBIHQ USE ONLY

Initials

Date

Received		
Developed		
Printed		
Enlargements		
Slides		
Copied		
Other		

1. ENCLOSED PHOTOGRAPHIC WORK RELATES TO:

☒ Current Investigation ☐ Mug Shot ☐ Other

2. ENCLOSURE(S)

Film To Be Processed

Movie Film or Microfilm

Negatives To Be Printed

Other

Size	Color	B&W	Quantity
4x5			
135			
126			
120			
Slides			

Size	Color	B&W	Quantity
16mm			
35mm			
8(super)			
70mm			
AHU			

Size	Color	B&W	Quantity
8x10			
4x5			
135			
120			
126			
220			
110			

Item	Quantity

3. WORK REQUESTED

Processing

Prints To Be Made

Prints To Be Made

Custom Prints

- ☐ Process only (From 135, 126, and 110)
- ☐ Process & make print (From 135, 126, and 110)
- ☐ Process & make contact print (From 135, 126, and 110)
- ☐ Slides to be processed
- ☐ Slides to be duplicated
- ☐ 3 1/2 x 5 (From 120 and 4x5)
- ☐ 4x5
- ☐ 5x7
- ☐ 8x10
- ☐ 3 1/2 x 5 (From any size negative or slide)
- ☐ 5x7
- ☐ 8x10
- ☐ Color
- ☐ B&W
- ☐ Quantity
- ☐ Size
- ☐ Color
- ☐ B&W

4. PROCESSING CENTER REMARKS

MAILED 8 OCT 27 1983

196 - 4713

NOT RECORDED

12 NOV 4 1983

SPECIAL INSTRUCTIONS

- ☐ Mail Room: Show shipment date and registry number.
- ☐ Shipping Room: Show shipment date; bill of lading number, initial invoice; invoice to be placed in administrative file.

ENC.

MAIL ROOM ☒

November 25, 1983

FEDERAL GOVERNMENT

Honorable Robert E. Badham
House of Representatives
Washington, D. C. 20515

Dear Congressman Badham:

Your November 1st inquiry regarding the FBI's investigation of unauthorized intrusions into the GTE Telemail system has been brought to my attention.

Since this is an ongoing investigation it would be inappropriate for me to comment specifically on any aspects of the case at this time. However, I would like to explain the FBI's investigative procedures and responsibilities in such investigations.

When we receive information indicating that a violation of a Federal law has occurred, is occurring or will occur and we determine there are items of evidentiary value, we obtain a judicially authorized search warrant for the premises where the evidence is believed to be located. As with any search warrant, the evidence being sought must be specifically described, as must the location to be searched. The time of execution of the search warrant is usually decided upon between the investigating Agent and the Federal prosecutor based on several needs, the most important of which would be the protection of the evidence. Although personal convenience to the subjects is a consideration, it is secondary to protection of the evidence. When the FBI is conducting an investigation, the fact that some of the alleged perpetrators may be juveniles does not diminish the seriousness of the crime nor does it lessen the FBI's responsibility to protect the victims from further illegal activity.

- 196-4713-18X
- 1 - Alexandria (196A-633) - Enclosures (3)
 - 1 - Los Angeles - Enclosures (3)
 - 1 - Administrative Unit, CID - Enclosures (3)
 - Room 5121
 - 1 - [redacted] - Enclosures (3)
 - 1 - Congressional Affairs Section - Enclosures (3)

ESH:srs (8)

64 FEB 10 1984

MAIL ROOM

TO DEC 15 1983

DO- CORRESPONDENCE

b6
b7C

Honorable Robert E. Badham

I hope the above information will be of help to you in corresponding with your constituents. If you have any additional questions, please do not hesitate to contact me.

Sincerely yours,

Oliver S. Revell
Assistant Director
Criminal Investigative Division

NOTE: Above response suggested by SA [redacted] White-Collar Crimes Section, CID. The Congressman encloses a copy of a letter he has received from a number of his constituents with regard to the manner in which the FBI recovered computer equipment which was allegedly used in tapping into the commercial Telemail system run by GTE. He asks that the letter and the newspaper article entitled "FBI storm tactics in Irvine" be reviewed and comments furnished.

b6
b7C

APPROVED

Director

Exec. AD Adm.

Exec. AD Inv.

Exec. AD LES

Adm. Serv.

Crim. Inv.

Ident.

Intell.

Laboratory

Legal Coun.

Plan. & Insp.

Rec. Mgnt.

Tech. Servs.

Training

Off. of Cong. & Public Affs.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date November 18, 1983

TO: DIRECTOR FBI (196-4578)
 ATTN: TECHNICAL SERVICES DIVISION - ROOM 7159

FROM: SAC, SAN DIEGO (196B-1018) (P)

MAIN FRAME;
 FRAUD BY WIRE; CONSPIRACY
 00 : Alexandria

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE
 AND ELECTRONICS (GTE) TELENET SYSTEM OF
 CUSTOMER COMPUTERS;
 FRAUD BY WIRE;
 ITSP
 00 : Milwaukee

Re Bureau airtel to Alexandria, et al, dated October 27, 1983.

Re communication requested that any evidence seized during the investigation of captioned matters, be reviewed so as to assess any entry made into Department of Defense (DOD) computers. The brochure enclosed with the reference reviewed as to alpha listings and numeric listings. The evidence seized by search warrant in the San Diego Division revealed no evidence which would substantiate a successful entry into the DOD computer systems by the subject in the San Diego area.

3 - Bureau
 2 - Alexandria (196A-633)
 2 - Milwaukee (196B-798)
 2 - San Diego
 RDP/amr

(9)

Approved: Zeis

Transmitted

(Number)

(Time)

Per

b6
b7C

UNRECORDED COPY FILED IN

196-4578-180

MAR 8 1984
SYS. DATA SEC.113
40 APR 3 1984

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ Airtel _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/29/83

TO: DIRECTOR, FBI

FROM: SAC, BOSTON (196B-1160) (RM) (C)

SUBJECT: MAIN FRAME
 EBW, CONSPIRACY
 (OO: ALEXANDRIA)
 AX File: 196A-633



UNAUTHORIZED ENTRY INTO GENERAL
 TELEPHONE AND ELECTRONICS (GTE);
 TELENET SYSTEM CUSTOMER COMPUTERS;
 FRAUD BY WIRE; ITSP
 (OO: MILWAUKEE)
 MI File: 196B-798
 BU File: 196-4578

b6
 b7C

Re Director airtel to Alexandria dated 10/27/83.

Boston functioned as an auxiliary office in the above captioned Milwaukee case. Therefore, Boston is not in possession of any seized materials to review.

It is noted that the above referenced communication indicated that two enclosures of a sensitive nature were attached to the airtel. However, Boston received only one enclosure which was a blue covered pamphlet containing a list of letters and numbers titled alphabetical listing. It appears from the above referenced communication that Boston did not receive a separate enclosure which contains a numeric listing that is a "sign on" sequence to

- 2 - Bureau
 1 - Alexandria
 1 - Boston

CJD/elm

(4)

Approved: *JWG/WS*

Transmitted _____

(Number)

(Time)

Per _____

7 DEC 5 1983

UNRECORDED COPY FILED IN 196-45-78-

BS 196B-1160

the computer. A search was conducted at the Boston Division for the missing enclosure. It is believed that the enclosure was inadvertently left off the airtel.

No further investigation outstanding in Boston. This matter has been placed in an RUC status.

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/2/83

TO: DIRECTOR, FBI.
 FROM: SAC, PHOENIX (196A-1325) (P)
 SUBJECT: MAINFRAME;
 FBW; CONSPIRACY
 OO: ALEXANDRIA

Re Director letter to Alexandria dated 10/27/83, and Alexandria airtel to the Director on 11/14/83.

Phoenix Division is unaware of any additional information concerning hackers entering Department of Defense computers other than that provided by Alexandria and Alexandria airtel to the Director, 11/14/83.

196-4713-20
 DEC 7 1983

- 2 - Bureau
 1 - Alexandria (196A-633) (info)
 2 - Phoenix

ERH:jlm
 (5)

1 CCAT/Via 0-7
 To Alexandria
 KO/LRZ
 12/8/83 1*

Approved: _____ Transmitted _____ (Number) (Time) Per _____

64 JAN 12 1984

AX0005 3491933Z

RR HQ NY

DE AX

R 151830Z DEC 83

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR ROUTINE

NEW YORK ROUTINE

BT

UNCLAS

ATTN: NEW YORK, HAUPPAUGE RA

MAINFRAME; FRAUD BY WIRE; CONSPIRACY (OO:AX)

RE ALEXANDRIA TELETYPE TO THE BUREAU, OCTOBER 6, 1983.

INVESTIGATION IN THIS MATTER HAS REVEALED THAT THE TRUE NAME

OF [REDACTED] IS [REDACTED]

[REDACTED] AND WAS PRESENT DURING THE SEARCH
OF THAT PREMISES ON OCTOBER 12, 1983.

[REDACTED] HAS TOLD SA [REDACTED], HAUPPAUGE RA, THAT HE WOULD
CONSENT TO BE INTERVIEWED IN THIS MATTER. 196-4713-21

[REDACTED] HAS USED NUMEROUS ALIASES ON GTE TELEMAIL INCLUDING
[REDACTED] AND [REDACTED]. HE IS ALSO THE LEADER OF A
GROUP OF HACKERS AND PHONE FREAKS KNOWN AS THE "PHALERS".

TO DEC 21 1983

64 JAN 13 1984

Del to AX+NY
12/16/83
KD/HP

Mr. Tolson	
Mr. Ladd	
Mr. Nichols	
Mr. Belmont	
Mr. Mohr	
Mr. Casper	
Mr. Callahan	
Mr. Conrad	
Mr. Felt	
Mr. Gale	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Director's Sec'y	

b6
b7C

b6
b7C

b6
b7C

PAGE TWO AX 196A-633 UNCLAS

[] ALSO IS REPORTED TO KNOW THE TRUE NAME OF [], ANOTHER
SUBJECT OF THIS INVESTIGATION.

b6
b7C

DUE TO THE COMPLEXITY OF THE CONTEMPLATED INTERVIEW, INVOLVING
NUMEROUS ADDITIONAL UNSUBS AND OTHER COMPUTER SYSTEMS, IT WOULD BE
IMPOSSIBLE TO PROVIDE ALL NECESSARY BACKGROUND INFORMATION TO AN
AO CASE AGENT.

AUTHORIZATION IS THEREFORE REQUESTED FOR SA []
TO TRAVEL TO NEW YORK ON DECEMBER 20, 1983, TO CONDUCT SAID INTERVIEW,
WITH ASSISTANCE FROM A HAUPPAUGE RA AGENT. SAC, NEW YORK, AND SAC,
ALEXANDRIA, CONCUR. IF AUTHORIZATION IS GRANTED SA [] WILL
BE ARRIVING AT ISLIP-MCARTHUR AIRPORT ON U.S. AIR FLIGHT 170 AT
9:09 AM ON DECEMBER 20, 1983.

b6
b7C

LEADS:

NEW YORK AT HAUPPAUGE RA: WILL SCHEDULE INTERVIEW WITH []
[] FOR DECEMBER 20, 1983.

b6
b7C

ALEXANDRIA REQUESTS THAT SA [] BE MET AT ISLIP-MCARTHUR
AIRPORT AT 9:09 AM ON DECEMBER 20, 1983.

BT

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

038

PAGE	OF	CLASSIFICATION		PRECEDENCE
1	1	UNCLAS		PRIORITY
DATE DECEMBER 16, 1983				
#F038TPP AX NYTDE HQ H0038 #HTHS*UTP 161518Z DEC 83 START HERE				
FM	FM DIRECTOR FBI			
TO	TO FBI ALEXANDRIA {196A-633} PRIORITY			
	FBI NEW YORK			
14	ATTENTION HAUPPAUGE RA PRIORITY			
	BT			
12	UNCLAS			
	MAINFRAME; FBW; CONSPIRACY; 00: AX			
10	REAXTEL TO THE DIRECTOR, DATED 12/15/83.			
	FBIHQ AUTHORIZES INVESTIGATIVE TRAVEL OF SA [REDACTED]			
8	ALEXANDRIA DIVISION, AS SET FORTH IN REFERENCED TELETYPE.			
	BT			
6	1			
4				
2				
DO NOT TYPE MESSAGE BELOW THIS LINE				
APPROVED BY HNH/KO		DRAFTED BY KD:TDL	DATE 12/16/83	ROOM 3841
			TELE EXT. 5594	

DO NOT TYPE PAST THIS LINE

b6
b7C

1 - [REDACTED]

1 - TRAVEL FOLDER

b6
b7C

64 JAN 18 1984

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS CENTER

DEC 17 1983

06/67/22

16 DEC 21 1983

DO NOT FILE WITHOUT COMMUNICATIONS STAMP

FBI/DOJ

Memorandum



Exec AD Adm. _____
Exec AD Inv. _____
Exec AD LES _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. ADP
Ident. _____
Insp. _____
Intell. _____
Lab. _____
Legal Coun. _____
Off. Cong. &
Public Affs. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Telephone Rm. _____
Director's Sec'y _____

To Mr. Revell

Date December 8, 1983

From :

b6
b7C

Subject : MAINFRAME; FBW; CONSPIRACY; OO: AX

PURPOSE:

To respond to the Director's request for comments by providing a current update on captioned matter which involves the unauthorized accessing of the General Telephone and Electronics Company (GTE) Telemail system.

RECOMMENDATION:

None, for information only.

APPROVED: W
Director _____
Exec. AD-Adm. _____
Exec. AD-Inv. _____
Exec. AD-LES _____
Adm. Servs. _____
Crim. Inv. ADP
Ident. _____
Inspection _____
Intell. _____
Laboratory _____
Legal Coun. _____
Off. of Cong. & Public Affs. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____

DETAILS:

GTE owns and operates a computer network known as Telenet which links various subscriber businesses and government agencies in numerous cities. Within Telenet is a service known as Telemail which offers computerized message capability between Telemail customers.

An investigation since August, 1983 by Alexandria determined that three loosely organized groups of computer hackers had been accessing Telemail and had been browsing, altering, and destroying information maintained in the Telemail system. One hacker had left a message that he/she would disrupt the whole system if access to the administrative file could be achieved. Companies and agencies whose records were penetrated by these hackers include TRW; NASA; IBM;

KD:sm (7)

1 - Mr. Revell
1 -
1 -
1 - Mr. Collingwood

Newspaper
clipping
1/11/84

DEC 29 1983

b6
b7C

[REDACTED] to Mr. Revell Memorandum
RE: MAINFRAME

b6
b7C

Jet Propulsion Laboratory; Northrop Corporation; Hughes Aircraft Corporation; U. S. Department of Agriculture; and the Department of Defense ARPNET system.

As a result of investigation which identified some of these hackers, on 10/12 and 13/83, a total of fifteen search warrants were executed in nine cities throughout the United States. The searches resulted in seizing computers and computer-related paraphernalia which were utilized by the hackers to place long distance telephone calls and to illegally access, alter, or destroy information in the GTE Telemail system. The search warrant affidavits specified that any computer or computer-related paraphernalia was to be seized and that the unauthorized accessing of the Telemail system had resulted in violations of the Fraud by Wire Statute (Title 18 U.S. Code Section 1343) and the Conspiracy Statute (Title 18 U.S.C. Section 371).

Currently, Alexandria is in the process of reviewing all documents and information storage devices such as floppy discs which were seized during the execution of the aforementioned search warrants. Because of the volume of evidence seized, this review has been somewhat lengthy and is expected to take several more weeks. Once all evidence has been reviewed, the investigative findings will be provided to the United States Attorney's (USA) Office and a prosecutive decision as well as a prosecutive strategy will be formulated. Thereafter, if the USA's Office concurs, it is anticipated that this case will be presented to a Federal grand jury for prosecutive consideration.

The foregoing response was coordinated with John Collingwood, Legal Counsel Division.

Exec AD Adm. _____
 Exec AD Inv. _____
 Exec AD LES _____
 Asst. Dir.:
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Insp. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Off. Cong. &
 Public Affs. _____
 Rec. Mgnt. _____
 Tech. Servs. _____
 Training _____
 Telephone Rm. _____
 Director's Sec'y _____

How to Punish Computer Trespass

When a group of Milwaukee computer hobbyists used their telephones to tamper with data stored in the computers of New York's Sloan-Kettering Institute and other major institutions last summer, law enforcement officials were caught flat-footed. There's no federal law against that kind of computer trespass, which is akin to rifling somebody else's filing cabinet.

That may be one reason the Federal Bureau of Investigation seized the equipment of several other computer owners in raids last month, including one at the State University at Stony Brook. In the absence of a specific law against computer offenses, the FBI reportedly planned to prosecute them under the laws against telephone fraud.

This showed that the federal government was serious about preventing similar occurrences in the future, as it should be.

But it also raised some questions: Since the computer owners were neither arrested nor charged with a crime, should the FBI

have marched off with their equipment?

The computer seizures were all authorized by search warrants. According to an affidavit filed with the warrant used at Stony Brook, telephone records showed that unauthorized calls into a national computer network had been placed from the home of the computer's owner and from the university radio station where he works.

The telephone records surely make strong circumstantial evidence. But the government must follow up by filing charges and then show that some genuine fraud has been committed. If it can't do that, the justification for the seizures will evaporate.

Computer break-ins are potentially dangerous. They facilitate various economic crimes as well as violations of privacy. Computer hobbyists with no criminal intent may inadvertently wipe out valuable information. But the punishment should fit the crime. If that means new laws are needed, it's up to Congress to provide them.

EDITORIAL

The Washington Post _____
 The Washington Times _____
 Daily News (New York) _____
 The New York Times _____
 The Wall Street Journal _____
 The Chicago Tribune _____
 The Los Angeles Times _____
 The Christian Science Monitor _____
 USA Today _____
 NEWS DAY 16 _____

Date 11-19-83

Page 14 FBI/DOJ

196-4713-23

RECEIVED

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/19/83

TO: DIRECTOR, FBI

FROM: SAC, ALEXANDRIA (196A-633) (P)

MAINFRAME

FBW; CONSPIRACY

(OO:AX)

VLM

Re Alexandria teletype to the Bureau, 10/6/83.

Enclosed for the Bureau are two copies of an FD-515 and one copy of an internal GTE letter regarding captioned matter.

For information of the Bureau, investigation in captioned matter led to the execution of 15 searches on 10/12/83, and 10/13/83.

The searches resulted in the seizure of computers and computer-related paraphernalia at all locations. The seizure of the equipment effectively stopped the continuous and daily unauthorized access to the GTE Telemail system.

[REDACTED] GTE Telemail, stated that the majority of Telemail customers (and approximately 17 of the 19 customers mentioned in enclosed letter) can terminate their accounts with 30 days written notice. There are some customers (2 of the 19 mentioned) who are "re-sellers" of service and have a one year contract.

b6
b7C

2-Bureau (Enc. 3)
 1-Alexandria
 GDF:gaj
 (3)

ENCLOSURE

2 DEC 21 1983

1-5-84

Approved: H/G/cto

Transmitted

(Number)

(Time)

Per

2-FD-515-ENCLOSURE ATTACHED AND HANDLED SEPARATELY

AX 196A-633

[] stated that representatives of American Hospital Supply Company (AHSC), NASA, Raytheon and other companies contacted her and were extremely concerned about how long the intruders were going to be in their accounts. It is [] opinion that, had the hackers not been identified by the FBI and prevented from accessing Telemail by the seizure of computers, a significant number of the penetrated companies would have terminated their Telemail services.

b6
b7c

As stated in the enclosed GTE letter, the financial impact of the unauthorized accesses extended far beyond the immediate revenue loss of affected customers. The potential loss is based on a loss of customer confidence in the security of the system, resulting in the termination of customer accounts and/or failure to obtain new customers.

That potential economic loss has been prevented by this investigation in that the vast majority of intruders were identified and had their computers seized. Further, GTE officers report no unauthorized accesses occurring since the date of the searches. This is attributed to a deterrent effect created by the media coverage in this case.



**GTE Telenet
Communications Corporation**

C. Thomas Taylor
Vice President,
Network Applications & Terminals

8229 Boone Boulevard
Vienna, Virginia 22180
(703) 442-1245

9 September 1983

[Redacted]
GTE Telenet
Program Office
8229 Boone Blvd.
Vienna, VA 22180

b6
b7C

SUBJECT: TELEMAIL SECURITY INVESTIGATION

Analysis of the financial impact of the current Telemail security problem indicates that nineteen customers have been affected. The monthly revenue for these customers as of July, 1983, amounts to \$297,971. Assuming that on the average, each of these customers would continue to use the service for minimum of three years, this equates to a potential loss of revenue from this customer group of \$10,726,956.

The three year impact amount is actually understated in that many of the nineteen customers are in their introductory phase with Telemail and would logically grow substantially over the July 1983 billing amount.

In addition to the customers that are directly affected, the entire Telemail business is indirectly affected by the severity of the security problem. In attempting to estimate the potential damage to the entire Telemail business, I have assumed a 50% loss factor pertinent to the 1984-1988 period. This amount consists of \$189,500,000.

Please let me know if you require additional material on this subject.

Sincerely,

[Redacted Signature]

b6
b7C

196 - 4713 - 24
ENCLOSURE

ACCOMPLISHMENT REPORT

(Submit within 30 days from date of accomplishment)

Date 12/19/83

TO: DIRECTOR, FBI

FROM: SAC, ALEXANDRIA
SUBJECT: MAINFRAME
FBW: CONSPIRACY
(OO:AX)

Bureau File Number

196A-633

Field Office File Number

03

Squad or RA Number

- ☐ - X if a joint FBI/DEA (or other Federal Agency **) operation.
- ☐ - X if case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☐ No ☒ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	6. ELSUR - Title III	11. Lab Div Field Support	16. Show Money Usage
2. Aircraft Assistance	7. Hypnosis Assistance	12. Pen Registers	17. Surveill. Sqd Asst
3. Computer Assistance	8. Ident Div Assistance	13. Photographic Coverage	18. SWAT Team Action
4. Consensual Monitoring	9. Informant Information	14. Polygraph Assistance	19. Telephone T. Records
5. ELSUR - FISC	10. Lab Div Exams	15. Search Warr Executed	20. Undercover Operation
			21. Visual Inves Analysis (V)

b7E

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	A	B	C	27	\$	\$	\$	\$ 10,726,956
					\$	\$	\$	\$
FBI Arrests -					\$	\$	\$	\$
FBI Locates -					\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Physically Resisted					\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Were Armed					\$	\$	\$	\$
Criminal Summons					\$	\$	\$	\$
Subpoenas Served					\$	\$	\$	\$
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters				
Hostages Held By Terrorists				Amount of Suit		Government Defendant		Government Plaintiff
All Other Hostage Situations				Settlement or Award				
				Enter AFA Payment Here				

F. Final Judicial Process: Judicial District _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name -		District		State		Subject's Description Code *									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine			
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos				
												\$			
												\$			
												\$			
												\$			

Subject 2 - Name -		District		State		Subject's Description Code *									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine			
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos				
												\$			
												\$			
												\$			
												\$			

Subject 3 - Name -		District		State		Subject's Description Code *									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine			
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos				
												\$			
												\$			
												\$			
												\$			

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks:

2 - Bureau
2 - Alexandria (1 - 196A-633) (1 - Statistics in Process) GDF:gaj (4)

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

Property Type Codes*	
Code No	Description
1	Cash (U.S. and foreign currency)
2	Stock, Bonds or Negotiable Instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6	Bulk Materials (grain, fuel, raw materials, metals, wire, etc)
7	Jewelry (including unset precious and semiprecious stones)
8	Precious Metals (gold, silver, silverware, platinum, etc)
9	Art, Antiques or Rare Collections
10	Dangerous Drugs
11	Weapons or Explosives
12	Businesses or Assets Forfeited
20	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes *	
Code No	Description
21	Blank Negotiable Instruments or Tickets
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft From, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*The case file must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is \$1 million or more, or if the PELP is \$5 million or more.

Subject Description Codes *
- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects:

- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN

Known Criminals (Other Than OC Members):

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:

- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Union Members:

- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Official Or Employees:

- 6A Federal - Elected Official
- 6B Federal - Nonelected Executive Level
- 6C Federal - All Other
- 6D State - Elected Official
- 6E State - Nonelected Executive Level
- 6F State - All Other
- 6G Local - Elected Official
- 6H Local - Nonelected Executive Level
- 6J Local - All Other

Bank Officers Or Employees:

- 7A Bank Officer
- 7B Bank Employee

All Others:

- 8A All Other Subjects (not fitting above categories)

Instructions

Subject Priorities for FBI Arrest or Locates:

- A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.
- B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of \$25,000 or convicted of such crimes in the past five years.
- C - All others

Claiming Convictions Other Than Federal:

It is permissible to claim a local (state, county or local) conviction if the FBI's investigation significantly contributed to the successful local prosecution. A succinct narrative setting forth the basis for claiming a local conviction must accompany this report. When claiming a conviction other than Federal, enter the word "LOCAL" in the "Conviction-Section" block, disregard the number of conviction counts, but enter the sentence in the appropriate blocks. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for all capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

- 1. The subject becomes a fugitive after conviction but prior to sentencing.
- 2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, **not** the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

-Since more than one IA/T could have contributed to the accomplishment, each IA/T must be rated.

-The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/29/83

AIRTEL

TO : DIRECTOR, FBI
 (ATTN: TECHNICAL SERVICES DIVISION, ROOM 7159)

FROM : SAC, ALBANY (196A-677) (P)

SUBJECT: MAINFRAME
 FRAUD BY WIRE;
 CONSPIRACY
 (OO: ALEXANDRIA)

Re Alexandria airtel to the Bureau dated 10/27/83.

Copies of evidence seized from [] and []
 [] by the Albany Division were reviewed
 with respect to entry into Department of Defense Computers and
 the results were negative.

b6
 b7C

It should be noted that all the evidence seized by the
 Albany Division was sent to the Alexandria Division. Albany only
 had available selected copies of this evidence for review.

[] materials contain the following notations:

1. The word []
2. DOB: []

b6
 b7C

Investigation in the Albany Division is continuing.

3 - Bureau
 2 - Alexandria
 (1-196A-633)
 2 - Albany
 RAH:dld
 (7)

196-4713-251

JAN 4 1984

267
 64 MAR 30 1984

ROUTING UNIT

Approved: [] Transmitted

(Number) (Time)

Per

b6
 b7C

SAC, Alexandria

1/12/84

Director, FBI

MAIN FRAME

FRAUD BY WIRE; CONSPIRACY

OO: ALEXANDRIA

AX File Number: 196-A-633

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND
ELECTRONICS (GTE); TELENET SYSTEM CUSTOMER
COMPUTERS; FRAUD BY WIRE; ITSP
OO: MILWAUKEE
MI File Number: 196-B-798
Bufile: 196-4578

b6
b7C

ReBulet to SAC, Alexandria, et. al., dated 10/27/83,
captioned as above, in which recipients were requested to furnish
information regarding computer hackers.

To date, only four recipients have responded to this
request. It is imperative that recipients of instant letter
submit their responses immediately to the Technical Services
Division, Room 7159.

MAILED 13
JAN 12 1984
PEN
2 - Baltimore
2 - Boston
2 - Buffalo
2 - Detroit
2 - Los Angeles
2 - Milwaukee
1 - [redacted]
1 - [redacted]

2 - Newark
2 - New York
2 - Oklahoma City
2 - Omaha
2 - Phoenix
2 - Tampa

Rm. 3841, TL #231
Rm. 1376, TL #153

b6
b7C

RSM
Exec AD Adm. _____
Exec AD Inv. _____
Exec AD LES _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Insp. _____
Intell. _____
Lab. _____
Legal Coun. _____
Off. Cong. &
Public Affs. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Telephone Rm. _____
Director's Sec'y _____

MAIL ROOM ☐

2 JAN 13 1984

XEROX
JAN 17 1984
JA

UNRECORDED COPY FILED IN 196-4578-

1 -
1 - FOF

b6
b7C

Airtel
Unclass

1-3-84

Director, FBI

SAC, Alexandria (196A-633)

VLM

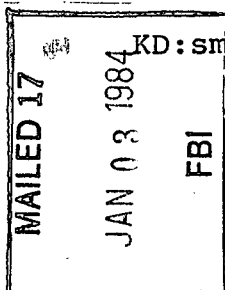
MAINFRAME; FBW; CONSPIRACY; OO: AX

Re Alexandria airtel to the Bureau, 12/19/83.

A review by FBIHQ of the recently implemented parameters concerning PELP claims indicates that AX's PELP claim on the FD-515, which was enclosed with referenced airtel, cannot be accepted.

Under the new PELP guidelines, implemented for fiscal year 1984, any theft scheme against a commercial or industrial firm that is aborted by the FBI prior to its fruition will be claimed as a PELP only if the specific value of the loss can be firmly stated. Additionally, all PELP claims, no matter the value, must have a justification which will concisely explain the circumstances of the PELP and the value claimed. No claim will be allowed based on an estimate.

Although GTE states their potential loss was over \$10 million, that figure is an estimate of possible loss and does not refer to a specific \$10 million that was in jeopardy.



Exec AD Adm. _____
Exec AD Inv. _____
Exec AD LES _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Insp. _____
Intell. _____
Lab. _____
Legal Coun. _____
Off. Cong. & Public Affs. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Telephone Rm. _____
Director's Sec'y _____

MAIL ROOM ☒ *FINH/KO*

196 - 4713 - *26*
JAN 5 1984

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date January 17, 1984

TO: DIRECTOR, FBI (196-4578)
 ATTENTION: TECHNICAL SERVICES DIVISION
 ROOM 7159

FROM: SAC, MILWAUKEE (196-B-798) (P)

SUBJECT: MAIN FRAME
 FRAUD BY WIRE; CONSPIRACY
 OO: ALEXANDRIA
 AX File Number: 196-A-633

b6
 b7C

b6
 b7C

UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND
 ELECTRONICS (GTE) TELENET SYSTEM CUSTOMER COMPUTERS;
 FRAUD BY WIRE; ITSP
 OO: MILWAUKEE

Re Bureau letter to Alexandria, Et Al, dated 10/27/83;
 Milwaukee airtel to Bureau, Et Al, dated 11/8/83;
 Bureau letter to Alexandria, Et Al, dated 1/12/84.

The above referenced Milwaukee airtel to the Bureau was
 in response to the Bureau's initial request for information in
 the letter dated October 27, 1983. If the Bureau has misplaced
 referenced airtel, a copy has been enclosed.

3 - BUREAU (Encl. 1)
 2 - MILWAUKEE (196-B-798)

DCM/dgr

(5)

2 JAN 20 1984

Transmitted

(Number)

(Time)

Per

UNRECORDED COPY FILED IN

X

64 MAY 1984
 Approved: *[Signature]*

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/8/83

TO: DIRECTOR, FBI
 (ATTENTION: TECHNICAL SERVICES DIVISION,
 ROOM 7159)

FROM: SAC, MILWAUKEE (196B-798) (P)

ET AL;
 UNAUTHORIZED ENTRY INTO
 GENERAL TELEPHONE AND ELECTRONICS (GTE)
 TELENET SYSTEM CUSTOMERS' COMPUTERS;
 FRAUD BY WIRE; ITSP
 OO: MILWAUKEE

Re Bureau airtel to Alexandria, dated 10/27/83.

Milwaukee has reviewed seized materials and found no references to Arpanet-linked systems. Bureau should be advised that the most capable hacker who is cooperating in this matter destroyed all records before consenting to interview. Also, the hacker subjects believed to have breached the system operated by Los Alamos National Laboratory are not cooperating and have not been served with, nor are they likely to be served with, search warrants.

Because auxiliary offices in captioned matter have no subjects in their divisions in this case, they will have no seized materials to review.

3 - Bureau
 2 - Albuquerque
 2 - Boston
 2 - Dallas
 2 - Newark
 2 - New York
 2 - Tampa
 ② - Milwaukee (196B-798)
 JGS:cal
 (17)



[Handwritten signature]

INDEXED
 SERIALIZED *[initials]* FILED *[initials]*

Approved: _____ Transmitted _____ (Number) _____ (Time) _____ Per _____

196-4713-276-788-109
 ENCLOSURE

Airtel

11/29/83

TO: DIRECTOR, FBI
FROM: SAC, BOSTON (196B-1160) (RUC)
SUBJECT: MAIN FRAME
FEW; CONSPIRACY
(OO: ALEXANDRIA)
AX File: 196A-633

[Redacted]
[Redacted]
[Redacted]
[Redacted]

b6
b7C

UNAUTHORIZED ENTRY INTO GENERAL
TELEPHONE AND ELECTRONICS (GTE);
TELENET SYSTEM CUSTOMER COMPUTERS;
FRAUD BY WIRE; ITSP
(OO: MILWAUKEE)
MI File: 196B-798
BU File: 196-4578

Re Director airtel to Alexandria dated 10/27/83.

Boston functioned as an auxiliary office in the above captioned Milwaukee case. Therefore, Boston is not in possession of any seized materials to review.

It is noted that the above referenced communication indicated that two enclosures of a sensitive nature were attached to the airtel. However, Boston received only one enclosure which was a blue covered pamphlet containing a list of letters and numbers titled alphabetical listing. It appears from the above referenced communication that Boston did not receive a separate enclosure which contains a numeric listing that is a "sign on" sequence to

2 - Bureau
1 - Alexandria
1 - Boston
GJD/elm
(4)

196B-1160-13

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 1 1983	
FBI - BOSTON	

196-4713-28

b6
b7C

BS 196B-1160

the computer. A search was conducted at the Boston Division for the missing enclosure. It is believed that the enclosure was inadvertently left off the airtel.

No further investigation outstanding in Boston. This matter has been placed in an RUC status.

2*

NOT RECORDED
44 JAN 26 1984

Memorandum

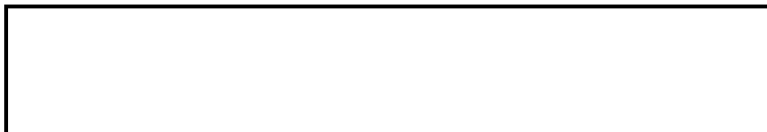


To : DIRECTOR, FBI

Date 1/19/84

From : SAC, BOSTON (196B-1160) (RUC)

Subject : MAIN FRAME;
FBW; CONSPIRACY
OO: ALEXANDRIA
AX: 196A-633



UNAUTHORIZED ENTRY INTO GENERAL TELEPHONE AND
ELECTRONICS (GTE); TELENET SYSTEM CUSTOMER COMPUTERS;
FBW; ITSP
OO: MILWAUKEE
MI: 196B-798
BU: 196-4578

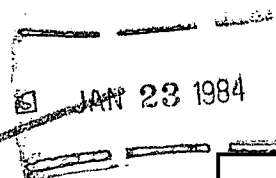
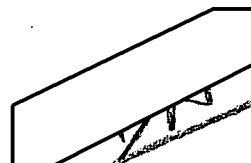
Re Bureau letter to Alexandria, 1/12/84 and Boston
airtel to the Bureau, 11/29/83.

Enclosed for the Bureau are two copies of Boston's
RUC airtel dated 11/29/83, which responded to Bureau letter
to Alexandria, Et Al, dated 10/27/83. The airtel is self-explanatory
in that Boston, merely being a lead office for Milwaukee,
had no information relative to the request of the Bureau.

- ② - Bureau (Enc 2) ~~CONFIDENTIAL~~
2 - Alexandria (196A-633)
2 - Milwaukee (196B-798)
1 - Boston
WGS/dw
(7)

64 FEB 23 1984

196-4713-28



FBI/DOJ

b6
b7C

UNRECORDED COPY IN

196-4578-

AXO 022 021 0019Z

PP HQ

DE AX

P 20 2200Z JAN 84

FM ALEXANDRIA (196A-633) P

TO DIRECTOR PRIORITY

ALBANY PRIORITY

BUFFALO PRIORITY

DETROIT PRIORITY

LOS ANGELES PRIORITY

NEW YORK PRIORITY

OKLAHOMA CITY PRIORITY

OMAHA PRIORITY

PHOENIX PRIORITY

SAN DIEGO PRIORITY

BT

UNCLAS

MAINFRAME; FBW; CONSPIRACY (XOO:AX).

RE AX TELETYPE TO DIRECTOR, JANUARY 20, 1984.

ALL RECEIVING OFFICES WERE REQUESTED TO HAVE OWNERS INSPECT
AND SIGN A "HOLD HARMLESS" AGREEMENT PRIOR TO SEIZED PROPERTY. -A
QUESTION HAS ARISEN THE PROPRIETY OF HAVING SPECIAL AGENTS

RECEIVED
TELETYPE UNIT

21 JAN 84 10 2

FEDERAL BUREAU
OF INVESTIGATION

Spec. AD-Adm.	
Spec. AD-Inv.	
Spec. AD-LES	
Asst. Dir.:	
Adm. Servs.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Rec. Mgnt.	
Tech. Servs.	
Training	
Off. of Cong. & Public Affs.	
Telephone Rm.	
Director's Sec'y	

7 pm
14



Handwritten signature/initials

b6
b7C

64 FEB 16 1984

196-4713-29

17 JAN 24 1984



PAGE TWO AX 196A-633 UNCLAS

REQUEST "HOLD HARMLESS" AGREEMENTS.

RECEIVING OFFICES ARE REQUESTED TO RETAIN EQUIPMENT WHICH IS
BEING SHIPPED TO THEM UNTIL ALEXANDRIA CAN OBTAIN CLASSIFICATION.
ALL OFFICES WILL BE NOTIFIED, ASAP.

BT

AX0006 0201726Z

RR HQ AL BU DE LA NY OC OM PX SD

DE AX

R 201726Z JAN 84

FM ALEXANDRIA (196A-633) (P)

TO DIRECTOR ROUTINE

ALBANY ROUTINE

BUFFALO ROUTINE

DETROIT (28E-847) ROUTINE

LOS ANGELES ROUTINE

NEW YORK ROUTINE

OKLAHOMA CITY (196A-1270) ROUTINE

OMAHA ROUTINE

PHOENIX ROUTINE

SAN DIEGO (196B-1018) ROUTINE

BT

UNCLAS

ATTN: NEW YORK, BROOKLYN-QUEENS MRA

MAINFRAME: FBW; CONSPIRACY (OO:AX)

RE ALEXANDRIA TELETYPE TO DIRECTOR, OCTOBER 6, 1983.

FOR INFORMATION OF THE BUREAU AND ALL RECEIVING OFFICES.

RECEIVED
TELETYPE UNIT
20 JAN 84 17 39z
FEDERAL BUREAU
OF INVESTIGATION

Exec. AD-Adm.	
Exec. AD-Inv.	
Exec. AD-LES	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Inspection	
Intell.	
Laboratory	
Legal Coun.	
Rec. Mgnt.	
Tech. Serv.	
Training	
Off. of Cong. & Public Affs.	
Telephone Rm.	
Director's Sec'y	

b6
b7C

b6
b7C

196-4713-30 JAN 24 1984

PAGE TWO AX 196A-633 UNCLAS

ALEXANDRIA HAS COMPLETED REVIEW OF EVIDENCE SEIZED IN CAPTIONED MATTER. ALEXANDRIA IS RETAINING PRINT-OUTS, NOTES, FLOPPY DISCS, ETC., FROM EACH SUBJECT THAT HAVE EVIDENTIARY VALUE. HOWEVER, AT THE REQUEST OF THE UNITED STATES ATTORNEY, EASTERN DISTRICT OF VIRGINIA, THE COMPUTER HARDWARE AND NON-EVIDENTIARY MATERIAL ARE BEING FORWARDED TO EACH OFFICE FOR RETURN TO OWNER AT THIS TIME. EQUIPMENT IS BEING SENT FROM ALEXANDRIA VIA BUMAIL OVER THE NEXT TWO WEEKS.

LEADS:

ALL RECEIVING OFFICES ARE REQUESTED TO:

- 1.) RETURN EQUIPMENT TO OWNER AND RETAIN A RECEIPT FOR RETURN OF SAME.
- 2.) HAVE OWNER INSPECT EQUIPMENT AND SIGN A "HOLD HARMLESS" AGREEMENT STATING THAT HE/SHE HAS "INSPECTED EQUIPMENT LISTED ABOVE AND FOUND IT TO BE IN SATISFACTORY CONDITION. I FURTHER AGREE TO HOLD HARMLESS THE UNITED STATES GOVERNMENT FROM ANY CLAIMS CONCERNING SAID EQUIPMENT", OR WORDS TO THAT EFFECT.
- 3.) IF OWNER IS UNWILLING TO SIGN SUCH A STATEMENT, THE EQUIPMENT WILL BE RETAINED BY LOCAL OFFICE UNTIL FINAL ADJUDICATION OF THIS MATTER WITH RESPECT TO THAT SUBJECT.

PAGE THREE AX 16A-633 UNCLAS

4.) FORWARD TWO COPIES OF ABOVE RECEIPTS TO ALEXANDRIA
WHEN OBTAINED.

BT

SSS

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/24/84

TO: DIRECTOR, FBI
 FROM: SAC, OMAHA (196A-922)(P)
 SUBJECT: MAIN FRAME
 FRAUD BY WIRE; CONSPIRACY;
 OO: ALEXANDRIA
 AX File Number: 196A-633

[REDACTED]
 ET AL;
 UNAUTHORIZED ENTRY INTO GENERAL
 TELEPHONE AND ELECTRONICS (GTE);
 TELENET SYSTEM CUSTOMER COMPUTERS;
 FRAUD BY WIRE; ITSP;
 OO: MILWAUKEE
 MI File Number: 196B-798
 Bufile Number: 196-4578

b6
 b7C

Re Bulet to SAC, Alexandria, et. al., dated 10/27/83
 and Bulet to Alexandria dated 1/12/84.

For information of the Bureau, Omaha Division conducted a search of the residence of [REDACTED] concerning the MAIN FRAME investigation conducted by the Alexandria Division. All items seized in this search were immediately sent to Alexandria. Accordingly, there is no way to determine if hackers involved in instant matter had made entry into the Department of Defense computers. In addition, efforts to interview [REDACTED] were negative, as he was instructed by his attorney not to consent to any interviews by the FBI.

b6
 b7C

- ② - Bureau
 1 - Alexandria (196A-633)(Info)
 2 - Omaha
 MJH:cac
 (5)

196-4713-31

Approved: HHM

Transmitted _____

(Number)

(Time)

Per _____

17 JAN 27 1984

196-4578-
 NI DE LIA ADV UNCLAS